



**Wisconsin Electric**

231 W. MICHIGAN, P.O. BOX 2046, MILWAUKEE, WI 53201

POWER COMPANY

18035  
ALLEGATION NO. FILED 1992

DEC 10 1992 - 11 35 AM

INTERSTATE COMMERCE COMMISSION

18035

(414) 277-2345

ALLEGATION NO. FILED 1992

December 10, 1992

Sidney L. Strickland, Jr.  
Secretary  
Interstate Commerce Commission  
Twelfth Street and Constitution Avenue NW  
Washington D.C. 20423

DEC 10 1992 - 11 35 AM

INTERSTATE COMMERCE COMMISSION

345A020

RE: Wisconsin Electric Power Company  
Mortgage and Deed of Trust, as supplemented

Dear Mr. Strickland:

Enclosed find an original and one certified conformed copy of each of the documents described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code:

✓ (1) Mortgage and Deed of Trust, a primary document, dated October 28, 1938 (the "Mortgage").

✓ (2) A Supplemental Indenture to the Mortgage, a secondary document, dated October 28, 1938. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (3) B Second Supplemental Indenture to the Mortgage, a secondary document, dated June 1, 1946. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (4) C Third Supplemental Indenture to the Mortgage, a secondary document, dated March 1, 1949. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (5) A Fourth Supplemental Indenture to the Mortgage, a secondary document, dated June 1, 1950. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (6) E Fifth Supplemental Indenture to the Mortgage, a secondary document, dated May 1, 1952. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (7) F Sixth Supplemental Indenture to the Mortgage, a secondary document, dated May 1, 1954. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (8) G Seventh Supplemental Indenture to the Mortgage, a secondary document, dated April 15, 1956. The primary document to which this is connected is the Mortgage to be recorded herewith.

1542  
C. Strickland

Sidney L. Strickland, Jr.  
December 10, 1992  
Page 2

- ✓ (9) ~~H~~ Eighth Supplemental Indenture to the Mortgage, a secondary document, dated April 1, 1958. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (10) ~~A~~ Ninth Supplemental Indenture to the Mortgage, a secondary document, dated November 15, 1960. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (11) ~~G~~ Tenth Supplemental Indenture to the Mortgage, a secondary document, dated November 1, 1966. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (12) ~~K~~ Eleventh Supplemental Indenture to the Mortgage, a secondary document, dated November 15, 1967. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (13) ~~L~~ Twelfth Supplemental Indenture to the Mortgage, a secondary document, dated May 15, 1968. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (14) ~~S~~ Thirteenth Supplemental Indenture to the Mortgage, a secondary document, dated May 15, 1969. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (15) ~~N~~ Fourteenth Supplemental Indenture to the Mortgage, a secondary document, dated November 1, 1969. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (16) ~~O~~ Fifteenth Supplemental Indenture to the Mortgage, a secondary document, dated July 15, 1976. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (17) ~~P~~ Sixteenth Supplemental Indenture to the Mortgage, a secondary document, dated as of January 1, 1978. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (18) ~~Q~~ Seventeenth Supplemental Indenture to the Mortgage, a secondary document, dated as of May 1, 1978. The primary document to which this is connected is the Mortgage to be recorded herewith.
- ✓ (19) ~~R~~ Eighteenth Supplemental Indenture to the Mortgage, a secondary document, dated as of May 15, 1978. The

primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (20) <sup>S</sup>Nineteenth Supplemental Indenture to the Mortgage, a secondary document, dated as of August 1, 1979. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (21) <sup>T</sup>Twentieth Supplemental Indenture to the Mortgage, a secondary document, dated as of November 15, 1979. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (22) <sup>U</sup>Twenty-First Supplemental Indenture to the Mortgage, a secondary document, dated as of April 15, 1980. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (23) <sup>V</sup>Twenty-Second Supplemental Indenture to the Mortgage, a secondary document, dated December 1, 1980. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (24) <sup>W</sup>Twenty-Third Supplemental Indenture to the Mortgage, a secondary document, dated as of September 15, 1985. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (25) <sup>X</sup>Twenty-Fourth Supplemental Indenture to the Mortgage, a secondary document, dated as of September 15, 1985. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (26) <sup>Y</sup>Twenty-Fifth Supplemental Indenture to the Mortgage, a secondary document, dated December 15, 1986. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (27) <sup>Z</sup>Twenty-Sixth Supplemental Indenture to the Mortgage, a secondary document, dated January 15, 1988. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (28) <sup>AA</sup>Twenty-Seventh Supplemental Indenture to the Mortgage, a secondary document, dated April 15, 1988. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (29) <sup>BB</sup>Twenty-Eighth Supplemental Indenture to the Mortgage, a secondary document, dated September 1, 1989. The

Sidney L. Strickland, Jr.  
December 10, 1992  
Page 4

primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (30)<sup>CC</sup> Twenty-Ninth Supplemental Indenture to the Mortgage, a secondary document, dated October 1, 1991. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (31)<sup>PP</sup> Thirtieth Supplemental Indenture to the Mortgage, a secondary document, dated December 1, 1991. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (32)<sup>EE</sup> Thirty-First Supplemental Indenture to the Mortgage, a secondary document, dated August 1, 1992. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (33)<sup>FF</sup> Thirty-Second Supplemental Indenture to the Mortgage, a secondary document, dated August 1, 1992. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (34)<sup>YY</sup> Thirty-Third Supplemental Indenture to the Mortgage, a secondary document, dated October 1, 1992. The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (35)<sup>HH</sup> Thirty-Fourth Supplemental Indenture to the Mortgage, a secondary document, dated November 1, 1992 (a fully executed and acknowledged counterpart of which is being submitted herewith in lieu of a certified conformed copy). The primary document to which this is connected is the Mortgage to be recorded herewith.

✓ (36)<sup>JJ</sup> Thirty-Fifth Supplemental Indenture to the Mortgage, a secondary document, dated December 9, 1992 (a fully executed and acknowledged counterpart of which is being submitted herewith in lieu of a certified conformed copy). The primary document to which this is connected is the Mortgage to be recorded herewith.

The names and addresses of the parties to the above documents are as follows:

*Mortgagor:* Wisconsin Electric Power Company  
231 West Michigan Street  
Milwaukee WI 53201-2046



Sidney L. Strickland, Jr.  
December 10, 1992  
Page 5

Trustee: Firststar Trust Company  
(formerly First Wisconsin Trust Company)  
777 East Wisconsin Avenue  
Milwaukee WI 53202

A description of the equipment covered by the document follows:

Included in the property covered by the aforesaid Mortgage, as supplemented and amended by the supplemental indentures thereto, is all personal property, unless otherwise excepted, which includes, among other railroad cars and rolling stock, railroad cars and rolling stock intended for use related to interstate commerce, or interests therein, owned by Wisconsin Electric Power Company at the date of the Mortgage or thereafter acquired by it or its successors.

Pursuant to 49 C.F.R. § 1177.3(d), we understand that it will not be necessary to refile the above documents whenever additional railroad cars or other rolling stock is acquired in order to perfect the lien of the Mortgage, as supplemented and amended by the supplemental indentures thereto, upon the additional railroad cars or other rolling stock.

A filing fee of \$576 is enclosed. Also enclosed is a copy of this transmittal letter. If possible, we would appreciate it if you would receipt-stamp that copy and return it to our messenger. We understand that such receipt-stamping is not evidence of recordation of the above documents, but that you will be returning the originals to us at a later time with such recordation information. Please return those originals and any extra copies not needed by the Commission for recordation to our messenger when they are ready to be picked up. Provided with this letter is a business card of our messenger, on which is a telephone number where he can be reached when the documents are ready.

A short summary of the documents to appear in the index is attached hereto as Appendix A.

Very truly yours,

WISCONSIN ELECTRIC POWER COMPANY

By:   
James D. Zakrajsheck  
Counsel

Enclosures

Interstate Commerce Commission  
Washington, D.C. 20423

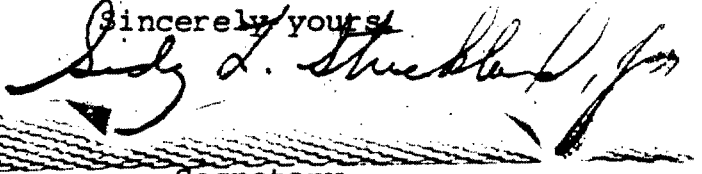
12/10/92

OFFICE OF THE SECRETARY

James D. Zakrajsheck  
Counsel  
Wisconsin Electric Power Company  
231 W. Michigan  
P.O.Box 2046  
Milwaukee, WI. 53201  
Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/10/92 at 11:25am , and assigned recordation number(s). 18035 & 18035-A thru. 18035-II

Sincerely yours,



Secretary

SIDNEY L. STRICKLAND, JR.

Enclosure(s)

18035

DEC 19 1992 11 22 AM  
INTERSTATE COMMERCE COMMISSION

**CERTIFICATE**

I, MARGARET M. PEARSON, Notary Public, State of Wisconsin, hereby certify that I have compared the attached copy of the Mortgage & Deed of Trust dated October 28, 1938 with the original instrument and found the copy to be complete and identical in all respects to the original.

Executed on this 9th day of December 1992.



Margaret M. Pearson  
Notary Public, State of Wisconsin  
My Commission expires March 19, 1995  
Telephone: (414) 221-2235

(SEAL)

fin\wecerts

---

18035

ASSOCIATION NO. \_\_\_\_\_ FILED 1938

OCT 10 1992 - 11 25 AM

INTERSTATE COMMERCE COMMISSION

WISCONSIN ELECTRIC POWER COMPANY

TO

FIRST WISCONSIN TRUST COMPANY

as Trustee

---

**Mortgage and Deed of Trust**

DATED OCTOBER 28, 1938

---



# WISCONSIN ELECTRIC POWER COMPANY

## MORTGAGE AND DEED OF TRUST

Dated October 28, 1938

### TABLE OF CONTENTS \*

	PAGE
PARTIES .....	1
RECITALS:	
Purposes of mortgage.....	1
General description of bond issue.....	1
General form of coupon Bond.....	1
General form of coupon.....	5
General form of registered Bond without coupons.....	6
General form of Trustee's certificate.....	9
Due authorization of the Indenture and Bonds.....	9
GRANTING CLAUSES:	
Grant and conveyance.....	10
Real estate .....	10
Power houses, etc.....	34
Electric distribution systems.....	35
Steam heating distribution system.....	35
Electric transmission lines.....	35
Franchises, ordinances, easements, etc.....	41
Property hereafter acquired.....	42
Bonds of The Milwaukee Electric Railway & Transport Company	42
Property hereafter subjected to the lien of the Indenture.....	42
EXCEPTED PROPERTY .....	43
HABENDUM .....	46
SUBJECT TO CERTAIN EXCEPTIONS.....	46
GRANT IN TRUST.....	46
DEFEASANCE .....	46
GENERAL COVENANT .....	47

\*NOTE: The Table of Contents and the page headings are not part of the Original Indenture as executed.

## ARTICLE I

## DEFINITIONS

	PAGE
Purposes and limitation of definitions.....	47
Acquired plant or system.....	47
Additional Bonds .....	48
Appraiser .....	48
Appraiser's certificate .....	48
Authorized newspaper .....	48
Board .....	49
Bondable property .....	49
Bonded cost .....	49
Bondholders—percentage of Bondholders.....	49
Bonds—outstanding Bonds .....	50
Certified resolution .....	51
Company .....	51
Corporation .....	51
Cost to the Company—cost to another corporation.....	51
Counsel .....	53
Coupons .....	53
Engineer .....	53
Engineer's certificate .....	53
Event of default .....	53
Fair value to the Company.....	54
Gross property additions.....	55
Indenture .....	55
Independent appraiser .....	55
Independent appraiser's certificate.....	55
Independent engineer .....	55
Independent engineer's certificate.....	56
Issued .....	56
Judgment lien .....	56
Lien of the Indenture.....	56
Liens upon rights-of-way for transmission or distribution line purposes .....	56
Mortgaged property .....	57
Net bondable value of property additions not subject to an unfunded prior lien .....	57
Net bondable value or property additions subject to an unfunded prior lien .....	59

Net earnings of the Company available for interest and property retirement appropriations—net earnings of property or of another corporation available for interest and property retirement appropriations	60
Non-bondable property .....	62
Officers' certificate .....	62
Opinion of counsel.....	63
Outstanding .....	63
Permitted liens .....	63
Prior lien—funded prior lien—unfunded prior lien.....	64
Prior lien bonds—funded prior lien bonds—outstanding prior lien bonds .....	64
Property additions .....	65
Railway Company .....	68
Railway Company bonds .....	68
Railway Company mortgage .....	68
Refundable Bonds .....	68
Registered owner .....	69
Release moneys .....	69
Retired .....	70
Supplemental indenture .....	70
Trustee .....	70
Trust estate .....	70

## ARTICLE II

### DESCRIPTION AND MANNER OF EXECUTION, AUTHENTICATION AND REGISTRATION OF BONDS

Sec. 1. Issues in series—designations—change in designation.....	71
Sec. 2. Variations and special provisions.....	72
Sec. 3. Exchange for Bonds issued in the name of a successor corporation .....	74
Sec. 4. Books for registration and transfer of Bonds.....	75
Sec. 5. Registration of coupon Bonds.....	75
Sec. 6. Transfer and date of registered Bonds.....	76
Sec. 7. Who deemed owners of Bonds and coupons.....	76
Sec. 8. Exchange of Bonds of different denominations.....	77
Exchange of registered Bonds for coupon Bonds.....	77
Sec. 9. Issue of Bonds in temporary form.....	78



	PAGE
Sec. 10. Manner and conditions of exchange of Bonds.....	78
Sec. 11. Numbers, designations, legends, etc. on Bonds.....	80
Sec. 12. Execution of Bonds and coupons.....	80
Sec. 13. Mutilated, destroyed, lost or stolen Bonds.....	81
Sec. 14. Form and authentication of Bonds.....	82

### ARTICLE III

#### AUTHENTICATION AND DELIVERY OF BONDS

Sec. 1. Limitations as to principal amount.....	82
All Bonds equally and ratably secured.....	83
Sec. 2. Initial issue of \$55,000,000 Bonds of 3½% Series due 1968.	83
Sec. 3. General requirements for authentication of additional Bonds.	83
(a) Certified resolution authorizing execution and re-	
questing authentication .....	84
(b) Officers' certificate concerning earnings and no default	84
(c) Opinion of counsel concerning intervening liens and	
authorization of Bonds .....	85
(d) Cash with respect to intervening judgment liens....	86
Sec. 4. Authentication of additional Bonds on the basis of property	
additions not subject to unfunded prior lien.....	86
Conditions to be complied with:	
(a) Engineer's certificate relating to property additions	
and net bondable value.....	87
(b) Independent engineer's certificate relating to fair	
value of acquired plants or systems.....	94
(c) Appraiser's certificate relating to fair value of securi-	
ties issued in payment of property additions.....	94
(d) Instruments of conveyance.....	94
(e) Opinion of counsel relating to title and lien of Inden-	
ture .....	94
(f) Prior lien bonds and cash necessary to constitute an	
unfunded prior lien a funded prior lien.....	96
(g) Cash with respect to judgment liens.....	97
(h) General requirements provided in Section 3—Ex-	
cepting necessity of furnishing certificate required by	
Section 3(b) in certain cases where property subject	
to prior lien .....	97

	PAGE
Sec. 5. Authentication of additional Bonds against deposit of cash..	97
Conditions to be complied with:	
(a) Deposit of cash .....	98
(b) General requirements provided in Section 3.....	98
Sec. 6. Authentication of additional Bonds in substitution for re- fundable Bonds .....	98
Conditions to be complied with:	
(a) Officers' certificate relating to Bonds made the basis for the application.....	98
(b) General requirements provided in Section 3—Except- ing necessity of certificate required by Section 3(b) in certain cases.....	99

#### ARTICLE IV

##### PARTICULAR COVENANTS OF THE COMPANY

Sec. 1. To pay principal, premium, if any, and interest.....	99
Sec. 2. That separate coupons or claims for interest shall have no rights except after payment of principal and coupons and claims for interest not separate.....	100
Sec. 3. Of seisin and title.....	100
Sec. 4. To maintain agency at each place where principal or interest shall be payable.....	100
Sec. 5. To protect title to mortgaged property against foreclosure or enforcement of prior lien.....	101
To pay taxes.....	101
To conform to requirements of governmental authorities...	101
Against permitting mechanics' or other liens to attach.....	101
Sec. 6. To insure property.....	101
Sec. 7. To repair and renew.....	103
Sec. 8. To permit Trustee to make examination of records.....	103
To have an audit of books and accounts made.....	103
To furnish Trustee financial statements.....	104
Sec. 9. Trustee or receiver may make advances.....	104
Sec. 10. To record this Indenture and supplemental indentures.....	104
Sec. 11. Of further assurance, etc.....	104

Sec. 12. Subsequent mortgages to be made expressly subordinate....	105
Sec. 13. Against issue of Bonds except in accordance with Indenture —against defaults .....	105
Sec. 14. Against acquisition of property subject to unfunded prior lien, except under certain conditions—property ratio and earnings test—certificates to be filed with Trustee.....	105
Sec. 15. Against issuance of prior lien bonds secured by funded prior liens .....	106
Sec. 16. Against issuance of additional prior lien bonds secured by unfunded prior liens, except under certain conditions—on basis of property additions, deposit of cash, and payment or cancellation of prior lien bonds—earnings test—certifi- cates to be filed with Trustee.....	106
Sec. 17. To perform covenants of prior liens.....	110
Sec. 18. Concerning release of property subject to a prior lien or withdrawal of moneys deposited under a prior lien, in cer- tain conditions on basis property additions.....	110
Sec. 19. In case of acquisition of all bonds secured by any prior lien, to cause such bonds to be canceled or deposited with Trustee .....	111
Sec. 20. In case of satisfaction of any funded prior lien, to cancel or deposit with the Trustee all prior lien bonds secured by other prior liens and to deposit with the Trustee all moneys held under such satisfied prior lien.....	111
Sec. 21. Against sale of part of mortgaged property or consolidation with another corporation except as provided herein.....	112
Sec. 22. To maintain corporate existence .....	112
Sec. 23. That recitals and statements in Indenture are true.....	112

## ARTICLE V

### REDEMPTION OF BONDS

Sec. 1. Company may reserve right to redeem—notice of redemp- tion—redemption of part only of any series.....	112
Sec. 2. Payment of redemption price.....	114
Sec. 3. Deposit of redemption moneys and effect thereof.....	114
Sec. 4. Cancellation of redeemed Bonds.....	115

## ARTICLE VI

## CONCERNING SECURITIES HELD BY THE TRUSTEE

	PAGE
Sec. 1. Uncanceled funded prior lien bonds to be held by the Trustee as part of the trust estate.....	115
Sec. 2. Provisions as to payment of interest and principal of funded prior lien bonds .....	116
Sec. 3. Cancellation of funded prior lien bonds upon direction by Company .....	116
Sec. 4. Cancellation of funded prior lien bonds and discharge of funded prior liens .....	117
Sec. 5. Concerning purchase money obligations and municipal bonds held by Trustee.....	117
Sec. 6. Until default Company entitled to interest on Railway Company bonds .....	118
Trustee not to enforce collection of Railway Company bonds without consent of Company if Company not in default...	118
Company not to sell or encumber any coupon or right to interest on Railway Company bonds.....	119
Sec. 7. Trustee may vote and give consents with respect to Railway Company bonds on written consent of Company.....	119
Trustee may enforce payment of Railway Company bonds or enforcement or foreclosure of Railway Company mortgage upon request of Company, and without such request if Company in default .....	119

## ARTICLE VII

## POSSESSION, USE AND RELEASE OF PROPERTY

Sec. 1. Possession until default .....	120
Sec. 2. Disposition of machinery and equipment, abandonment of property, modification of leases and surrender or modification of franchises without release or consent by Trustee	120
Sec. 3. Release of property (other than prior lien bonds or Railway Company bonds)—conditions to be complied with:	
(a) Certified resolution requesting release .....	122
(b) Engineer's certificate as to fair value of property released, desirability of release and liens on property released .....	122

(c) Independent engineer's certificate, in certain cases, with respect to desirability of release .....	123
(d) Cash to be deposited—less:	
(1) Principal amount of purchase money obligations deposited .....	123
(2) Fair value of municipal obligations deposited...	124
(3) Principal amount of prior lien solely a lien on property released .....	124
(e) Opinion of counsel relating to release of franchise ..	125
Reduction of cash by compliance with Sections 1 or 2 of Article VIII .....	125
Deposit of cash and obligations under prior lien .....	126
Sec. 4. Release of funded prior lien bonds upon sale of all the prop- erty subject thereto—conditions to be complied with:	
(a) Certified resolution requesting release .....	126
(b) Officers' certificate that all property subject to the prior lien has been released .....	126
(c) Opinion of counsel that no remaining property is sub- ject to the prior lien .....	126
(d) Cash to be deposited .....	126
Sec. 5. Release of property taken by eminent domain or exercise of right of municipal purchase .....	127
Sec. 6. Release of Railway Company bonds.....	127
(a) Upon transfer or other disposition by Company— conditions to be complied with:	
(1) Certified resolution requesting release.....	127
(2) Independent appraiser's certificate as to fair value of Railway Company bonds sold or dis- posed of .....	128
(3) Officers' certificate concerning no default.....	128
(4) Cash .....	128
Reduction of cash by compliance with Sections 1, 2 or 4 of Article VIII .....	128
(b) On basis of property additions not subject to an un- funded prior lien—conditions to be complied with:	
(1) Certified resolution requesting release.....	129
(2) Certificates, instruments, opinions, prior lien bonds and cash described in Subdivisions (a) to (f), both inclusive, of Section 4 of Article III..	129
(3) Officers' certificate concerning no default.....	129
Sec. 7. Purchaser of released property not required to investigate..	129

- Sec. 8. Power to dispose of property may be exercised by receiver, trustee in bankruptcy, assignee, or Trustee in possession.. 130

## ARTICLE VIII

### APPLICATION OF MONEYS RECEIVED BY THE TRUSTEE

- Sec. 1. Payment to Company of moneys (other than moneys received as basis for issue of Bonds, on account of judgment liens or in order to make a prior lien a funded prior lien) against property additions ..... 130
- Conditions to be complied with:
- (a) Certified resolution authorizing application..... 131
  - (b) Engineer's certificate with respect to property additions ..... 131
  - (c) Certificates, instruments and opinion of counsel described in Subdivisions (b) to (e), both inclusive, of Section 4 of Article III..... 133
  - (d) Prior lien bonds and cash..... 133
- No cash (except cash relating to property subject to unfunded prior lien) may be withdrawn on basis of property additions subject to unfunded prior lien..... 133
- Sec. 2. Payment to Company of moneys (other than moneys received as basis for issue of Bonds, on account of judgment liens or in order to make a prior lien a funded prior lien) against refundable Bonds issued by the Company... 133
- Conditions to be complied with:
- (a) Certified resolution authorizing application..... 134
  - (b) Officers' certificate relating to Bonds made the basis of the application ..... 134
- Sec. 3. Payment to Company of money received as basis for authentication of additional Bonds..... 134
- (a) On basis of property additions—conditions to be complied with:
    - (1) Certified resolution authorizing application..... 135
    - (2) Certificates, instruments, opinions, prior lien bonds and cash provided in Subdivisions (a) to (g), both inclusive, of Section 4 of Article III.. 135
  - (b) Against refundable Bonds—conditions to be complied with:
    - (1) Certified resolution authorizing application..... 135
    - (2) Officers' certificate provided by paragraphs (1) to (4), both inclusive, of Section 6(a) of Article III ..... 135

Sec. 4. Payment to Company of moneys received on account of Railway Company bonds—conditions to be complied with:	135
(a) Certified resolution authorizing application.....	135
(b) Certificates, instruments, opinions, prior lien bonds and cash described in Subdivisions (a) to (g), both inclusive, of Section 4 of Article III.....	136
Sec. 5. Application of moneys held as proceeds of relased property to sinking fund payments.....	136
Sec. 6. Application by Trustee of moneys held on account of judg- ment liens or prior lien bonds.....	136
Payment to Company of moneys held on account of judg- ment liens or prior lien bonds:	
(a) When instrument securing prior lien released or judg- ment lien discharged—conditions to be complied with:	137
(1) Certified resolution authorizing application.....	137
(2) Opinion of counsel as to instrument of release or as to discharge of judgment lien.....	137
(b) When prior lien bonds deposited with Trustee or paid or reduced or ascertained invalid—conditions to be complied with: .....	137
(1) Certified resolution authorizing application.....	138
(2) Prior lien bonds or officers' certificate and opinion of counsel with respect to payment, etc.....	138
(3) Officers' certificate with respect to prior lien bonds made the basis of the application.....	138
(c) When all properties subject to prior lien and prior lien bonds released from lien of Indenture—compli- ance with Sections 1 or 2 of Article VIII.....	139
When prior lien bonds deemed paid.....	139
Sec. 7. Payment to Company of moneys deposited on account of non-bondable property—conditions to be complied with..	140
Sec. 8. Application of moneys held as part of trust estate (other than moneys deposited on account of prior lien bonds or judgment liens) to purchase or redemption of bonds— payment by Company of interest, premiums, advertising expenses with respect to Bonds purchased or redeemed— payment to Company by Trustee of excess of principal amount over purchase price .....	141
Sec. 9. Deposit of cash for payment or redemption of Bonds—not part of trust estate—application of such cash to payment or redemption .....	142
Sec. 10. Investment and reinvestment of cash held by Trustee as part of trust estate .....	143

Sec. 11. Certain powers of Company under this Article, with approval of Trustee, may be exercised by receiver, trustee in bankruptcy or assignee.....	145
---	-----

## ARTICLE IX

### REMEDIES UPON DEFAULT

Sec. 1. Definition of event of default.....	146
Acceleration of maturity—waiver of default.....	148
Sec. 2. Trustee's right to enter and operate—application of income..	148
Sec. 3. Trustee's power of sale .....	150
Sec. 4. Judicial proceedings by Trustee to enforce payment, foreclosure and sale of property.....	151
Sec. 5. Principal and interest of Bonds to become due in case of sale	151
Sec. 6. Conditions of sale of property .....	151
Sec. 7. Application of proceeds of sale .....	153
Sec. 8. Covenant to pay Trustee principal and interest in case of certain defaults .....	154
Application of moneys received by Trustee.....	155
Sec. 9. Trustee entitled to appointment of receivers.....	155
Sec. 10. Waiver of appraisal, valuation, stay, extension and redemption laws .....	156
Sec. 11. Control of proceedings by a majority of Bondholders.....	156
Sec. 12. Conditions to suit by individual Bondholders.....	156
Sec. 13. Original position of parties to be restored if proceedings on default discontinued .....	157
Sec. 14. Trustee may act without possession of Bonds.....	158
Sec. 15. Trustee entitled to file proofs of claim in receivership, insolvency, bankruptcy, reorganization and other proceedings	158
Sec. 16. Delay or omission not a waiver.....	159
Sec. 17. Definition of outstanding Bonds.....	159

## ARTICLE X

### EVIDENCE OF RIGHTS OF BONDHOLDERS

Evidence of rights of Bondholders.....	160
--	-----



## ARTICLE XI

### IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS

	PAGE
Immunity of incorporators, stockholders, officers and directors.....	161

## ARTICLE XII

### CONSOLIDATION, MERGER AND SALE

Sec. 1. Consolidation, merger, sale or lease by Company permitted under certain conditions .....	162
Sec. 2. Substitution of successor corporation for Company—condi- tions imposed upon successor corporation.....	164
Sec. 3. Extent to which properties of successor corporation shall be subject to lien of this Indenture.....	165

## ARTICLE XIII

### THE TRUSTEE

Sec. 1. Duties of Trustee—not required to take notice of default except on certain conditions.....	166
Sec. 2. Compensation and expense of Trustee—Trustee to have lien therefor on mortgaged property—responsibility of Trustee for acts of agents, and for execution, recording, etc. of Indenture—reliance on notices, etc.....	167
Sec. 3. Rights and obligations of successors to Trustee—privilege and manner of resignation or removal of Trustee—filling vacancy, vesting rights, etc. in trust estate in new trustee.	168
Sec. 4. If Trustee has conflicting interest it must, if required, elim- inate such interest or resign.....	171
Sec. 5. Not necessary to make Bondholders parties to proceedings brought by Trustee.....	171
Sec. 6. Power of appointment of another trust company or one or more persons to act as co-trustee or separate trustee....	171
Sec. 7. Subject to Section 4, Trustee or agent of the Company may acquire and hold Bonds and coupons and deal with Com- pany .....	173
Sec. 8. Acceptance of trusts by Trustee.....	173

## ARTICLE XIV

### SUPPLEMENTAL INDENTURES

	PAGE
Sec. 1. Purposes for which supplemental indentures may be executed	173
Sec. 2. Trustee authorized to join in supplemental indentures.....	175

## ARTICLE XV

### MEETINGS OF BONDHOLDERS

Sec. 1. Modifications of Indenture may be made as provided in this Article .....	175
Sec. 2. Method of calling meetings of Bondholders—voting.....	176
Sec. 3. Attendance at meetings.....	178
Sec. 4. Chairman and Secretary of meeting—inspectors of votes....	179
Sec. 5. Quorum—adjournment of meetings.....	180
Sec. 6. Modifications of Indenture permitted.....	181
Definition of affiliated corporation.....	182
Sec. 7. Record of meeting—notice of adoption of resolution—approval by Company—assent of Trustee.....	182
Sec. 8. Endorsement on Bonds—new Bonds for exchange—supplemental indentures .....	184

## ARTICLE XVI

### DEFEASANCE

Defeasance .....	185
------------------	-----

## ARTICLE XVII

### MISCELLANEOUS PROVISIONS

Sec. 1. Benefits restricted to parties and Bond and coupon holders.	186
Sec. 2. Cremation of canceled Bonds and coupons by Trustee.....	186
Sec. 3. Illegality or invalidity of any provisions not to affect others	186
Sec. 4. Date of actual execution indicated by acknowledgments.....	186
Sec. 5. In event publication of any notice is impossible, publication in lieu thereof permitted with approval of Trustee.....	187
Sec. 6. Regarding certificates or opinions of officers, engineers, counsel or other persons.....	187

	PAGE
Sec. 7. Parties to include successors and assigns.....	188
Sec. 8. Execution in counterparts .....	188
TESTIMONIUM .....	188
EXECUTION .....	189
COMPANY'S ACKNOWLEDGMENT .....	190
TRUSTEE'S ACKNOWLEDGMENT .....	191
RECORDING DATA .....	192

**Indenture** dated as of the twenty-eighth day of October in the year one thousand nine hundred thirty-eight (1938) made by and between WISCONSIN ELECTRIC POWER COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company"), party of the first part, and First Wisconsin Trust Company, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Trustee"), as Trustee, party of the second part;

WHEREAS, the Company deems it necessary from time to time to borrow money for its corporate purposes and to issue its Bonds therefor, and to mortgage and pledge its property hereinafter described to secure the payment of the Bonds, and to that end has authorized the issue of its Bonds, from time to time, not limited in aggregate principal amount except as otherwise hereinafter provided, to be issued in one or more series, the Bonds of each series to be issuable originally either as coupon Bonds registerable as to principal, with interest coupons attached, or as registered Bonds without coupons, or both, all such Bonds to be authenticated by the certificate of the Trustee, which Bonds, coupons and Trustee's certificate are to be substantially in the forms following, respectively—with such appropriate insertions, omissions and variations in respect to the form and terms of such Bonds and coupons as may be authorized from time to time by the Board of Directors to express the terms and conditions upon which the Bonds are issued as required or permitted by this Indenture:

[GENERAL FORM OF COUPON BOND]

WISCONSIN ELECTRIC POWER COMPANY

(Incorporated under the laws of the State of Wisconsin)

FIRST MORTGAGE BOND, ....% SERIES DUE .....

No.....

\$.....

WISCONSIN ELECTRIC POWER COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (here-

Recitals.

inafter called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to the bearer or, if this Bond be registered, to the registered owner hereof, on the .....day of ....., the sum of ..... dollars in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and to pay interest thereon in like coin or currency from the ....day of ....., at the rate of .... per cent. (...%) per annum, payable semi-annually, on the ..... days of ..... and ..... in each year until maturity, or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned, but only, in case of interest due on or before maturity, according to the tenor and upon presentation and surrender of the respective coupons therefor hereto attached as they severally mature. Both principal of, and interest on, this Bond are payable at .....

This Bond is one of a duly authorized issue of Bonds of the Company (herein called the "Bonds") in unlimited aggregate principal amount, of the series hereinafter specified, all issued and to be issued under and equally secured by a mortgage and deed of trust (herein called the "Indenture"), dated October 28, 1938, executed by the Company to First Wisconsin Trust Company (herein called the "Trustee"), as Trustee, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or registered owners of the Bonds and of the Trustee in respect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured. The Bonds may be issued in series, for various principal sums, may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. This Bond is one of a series designated

as the "First Mortgage Bonds, ....% Series due....."  
of the Company, issued under and secured by the Indenture and  
described .....

To the extent permitted by, and as provided in, the Indenture, modifications or alterations of the Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company and of the holders of the Bonds and coupons may be made with the consent of the Company by an affirmative vote of not less than 80% in amount of the Bonds entitled to vote then outstanding, at a meeting of Bondholders called and held as provided in the Indenture, and by an affirmative vote of not less than 80% in amount of the Bonds of any series entitled to vote then outstanding and affected by such modification or alteration, in case one or more but less than all of the series of Bonds then outstanding under the Indenture are so affected; provided, however, that no such modification or alteration shall be made which will affect the terms of payment of the principal of, or interest or premium, if any, on, this Bond.

In case an event of default, as defined in the Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture. The Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond is transferable by delivery except while registered as to principal. This Bond may, from time to time, be registered as to principal in the name of the owner on books of the Company to be kept for that purpose at the agency of the Company in ....., and such registration shall be noted hereon, after which no transfer hereof shall be valid unless made on said books by the registered owner hereof in person or by duly authorized attorney, and similarly noted hereon; but this Bond may be discharged from registration by being in like manner transferred to bearer, and thereupon transferability by delivery shall be

Recitals.

restored; and this Bond may again, from time to time, be registered or discharged from registration in the same manner. Such registration, however, shall not affect the negotiability of the coupons hereto appertaining, which shall always be payable to bearer and transferable by delivery, and payment to the bearer thereof shall fully discharge the Company in respect of the interest therein mentioned, whether or not this Bond at the time be registered.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond, or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present, or future, of the Company, or of any predecessor or successor corporation, as such, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every bearer or registered owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Indenture.

Neither this Bond, nor any of the coupons for interest thereon, shall be entitled to any benefit under the Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until First Wisconsin Trust Company, the Trustee under the Indenture, or a successor trustee thereto under the Indenture, shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, Wisconsin Electric Power Company has caused this Bond to be signed in its name by its President or a Vice President, and its corporate seal (or a facsimile thereof) to be hereto affixed and attested by its Secretary or an Assistant

Secretary, and interest coupons bearing the facsimile signature of its Treasurer to be attached hereto, as of the ..... day of....., .....

..... WISCONSIN ELECTRIC POWER COMPANY,

By .....  
*Vice President.*

Attest:

.....  
*Assistant Secretary.*

[GENERAL FORM OF COUPON]

No. .... \$. ....

....% Series due .....

On the .... day of ....., ....., unless the Bond herein mentioned shall have been duly called for previous redemption and payment thereof duly provided for, Wisconsin Electric Power Company will pay to bearer, on surrender of this coupon, at ....., ..... dollars in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, being six months' interest then payable on its First Mortgage Bond, ....% Series due ....., No. ....

.....  
*Treasurer.*



Recitals.

6

[GENERAL FORM OF REGISTERED BOND WITHOUT COUPONS]

WISCONSIN ELECTRIC POWER COMPANY

(Incorporated under the laws of the State of Wisconsin)

FIRST MORTGAGE BOND, ... % SERIES DUE .....

No. .... \$.....

WISCONSIN ELECTRIC POWER COMPANY, a corporation organized and existing under the laws of the State of Wisconsin (hereinafter called the "Company", which term shall include any successor corporation as defined in the Indenture hereinafter referred to), for value received, hereby promises to pay to ..... or registered assigns, on the ..... day of ....., the sum of ..... dollars in any coin or currency of the United States of America which at the time of payment is legal tender for public and private debts, and to pay interest thereon in like coin or currency from ..... at the rate of ..... per cent. (... %) per annum, payable semi-annually, on the ..... days of ..... and ..... in each year until maturity, or, if the Company shall default in the payment of the principal hereof, until the Company's obligation with respect to the payment of such principal shall be discharged as provided in the Indenture hereinafter mentioned. Both principal of, and interest on, this Bond are payable at .....

This Bond is one of a duly authorized issue of Bonds of the Company (herein called the "Bonds"), in unlimited aggregate principal amount, of the series hereinafter specified, all issued and to be issued under and equally secured by a mortgage and deed of trust (herein called the "Indenture"), dated October 28, 1938, executed by the Company to First Wisconsin Trust Company (herein called the "Trustee"), as Trustee, to which Indenture and all indentures supplemental thereto reference is hereby made for a description of the properties mortgaged and pledged, the nature and extent of the security, the rights of the bearers or

registered owners of the Bonds and of the Trustee in respect thereto, and the terms and conditions upon which the Bonds are, and are to be, secured. The Bonds may be issued in series, for various principal sums, may mature at different times, may bear interest at different rates and may otherwise vary as in the Indenture provided. This Bond is one of a series designated as the "First Mortgage Bonds, ....% Series due ....." of the Company, issued under and secured by the Indenture and described .....

To the extent permitted by, and as provided in, the Indenture, modifications or alterations of the Indenture, or of any indenture supplemental thereto, and of the rights and obligations of the Company and of the holders of the Bonds and coupons may be made with the consent of the Company by an affirmative vote of not less than 80% in amount of the Bonds entitled to vote then outstanding, at a meeting of Bondholders called and held as provided in the Indenture, and by an affirmative vote of not less than 80% in amount of the Bonds of any series entitled to vote then outstanding and affected by such modification or alteration, in case one or more but less than all of the series of Bonds then outstanding under the Indenture are so affected; provided, however, that no such modification or alteration shall be made which will affect the terms of payment of the principal of, or interest or premium, if any, on, this Bond.

In case an event of default, as defined in the Indenture, shall occur, the principal of all the Bonds at any such time outstanding under the Indenture may be declared or may become due and payable, upon the conditions and in the manner and with the effect provided in the Indenture. The Indenture provides that such declaration may in certain events be waived by the holders of a majority in principal amount of the Bonds outstanding.

This Bond is transferable by the registered owner hereof, in person or by duly authorized attorney, on the books of the Company to be kept for that purpose at....., upon surrender and cancellation of this Bond and on presentation of a duly executed written instrument of transfer, and

Recitals.

thereupon a new registered Bond or Bonds without coupons of the same series, of the same aggregate principal amount and in authorized denominations will be issued to the transferee or transferees in exchange herefor; and this Bond, with or without others of like form and series, may in like manner be exchanged for one or more new registered Bonds of the same series of other authorized denominations but of the same aggregate principal amount; or the registered owner of this Bond, at his option, may in like manner surrender the same for cancellation in exchange for the same aggregate principal amount of coupon Bonds of the same series and in authorized denominations, with coupons attached maturing on and after the next ensuing interest date; all upon payment of the charges and subject to the terms and conditions set forth in the Indenture.

No recourse shall be had for the payment of the principal of, or the interest on, this Bond, or for any claim based hereon or on the Indenture or any indenture supplemental thereto, against any incorporator, or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, as such, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law, or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released by every owner hereof by the acceptance of this Bond and as part of the consideration for the issue hereof, and being likewise released by the terms of the Indenture.

This Bond shall not be entitled to any benefit under the Indenture or any indenture supplemental thereto, or become valid or obligatory for any purpose, until First Wisconsin Trust Company, the Trustee under the Indenture, or a successor trustee thereto under the Indenture, shall have signed the form of certificate endorsed hereon.

IN WITNESS WHEREOF, Wisconsin Electric Power Company has caused this Bond to be signed in its name by its President or

a Vice President, and its corporate seal (or a facsimile thereof) to be hereto affixed and attested by its Secretary or an Assistant Secretary.

Dated.....

WISCONSIN ELECTRIC POWER COMPANY,

By.....

*Vice President.*

Attest:

.....

*Assistant Secretary.*

[GENERAL FORM OF TRUSTEE'S CERTIFICATE]

This Bond is one of the Bonds (in temporary form), of the series designated therein, described in the within-mentioned Indenture and Supplemental Indenture of.....

FIRST WISCONSIN TRUST COMPANY,

*Trustee,*

By.....

; and

WHEREAS, the holders of the stock of the Company entitled to vote thereon, and the Board of Directors of the Company, at meetings thereof respectively duly convened and held, have duly authorized the execution and delivery of this Indenture to secure the Bonds to be issued hereunder; and

WHEREAS, all the requirements of law and the by-laws and articles of incorporation of the Company have been fully complied with and all other acts and things necessary to make this

**Grant and Conveyance.**

10

Indenture a valid, binding and legal instrument for the security of the Bonds, have been done and performed;

**NOW, THEREFORE, THIS INDENTURE WITNESSETH:**

That Wisconsin Electric Power Company, in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof and of the sum of One Dollar to it duly paid by the Trustee at or before the ensealing and delivery of these presents, and for other valuable considerations, the receipt whereof is hereby acknowledged, and in order to secure the payment of the principal of and interest (and premium, if any) on all Bonds at any time issued and outstanding under this Indenture, according to their tenor and effect, and the performance and observance of all the covenants and conditions in the Bonds and herein contained, and to declare the terms and conditions upon and subject to which the Bonds are, and are to be, issued and secured, has executed and delivered this Indenture and has granted, bargained, sold, warranted, aliened, remised, released, conveyed, assigned, transferred, mortgaged, pledged, set over and confirmed, and by these presents does grant, bargain, sell, warrant, alien, remise, release, convey, assign, transfer, mortgage, pledge, set over and confirm unto First Wisconsin Trust Company, as Trustee, and to its successors and assigns forever, all and singular the following described properties—that is to say:

**FIRST.**

ALL and singular the lands, real estate, chattels real, easements, servitudes and leasehold and other interests in real estate which the Company now owns or, subject to the provisions of Article XII, may hereafter acquire, including, among other things, the following property located in the State of Wisconsin (but reference to, or enumeration of, any particular kinds, classes or items of property shall not be deemed to exclude from the oper-

ation and effect of this Indenture any kind, class or item not so referred to or enumerated, except as hereinafter expressly provided) :

## PARCELS OF REAL ESTATE

### MILWAUKEE COUNTY

#### Steam Power Plant Land

1. *Lakeside Power Plant*: That part of the S½ of Section 14, Township 6 north, Range 22 east lying east of South Lake Avenue;

Also that part of the NE¼ of Section 23, Township 6 north, Range 22 east described as follows, to-wit: commencing at the intersection of the north line of said Section 23 and the center line of South Lake Avenue; running thence east on said section line 529.5 feet; thence southwest to a point on said center line 452.7 feet; and thence northwest on said center line 276 feet to the place of beginning.

2. *Commerce Street Power Plant*: That part of Lot 1, in Block 32, Plat of the Town of Milwaukee, west side of river, together with vacated Vliet Street adjacent, in the SE¼ of Section 20, Township 7 north, Range 22 east, which lies southeasterly of a line drawn from a point on the east line of North Commerce Street 460.28 feet northeast of the southwest corner of said Block 32, parallel to the north line of said Lot 1 and extending to the Milwaukee River;

Also Lots 2, 3, 4, 5, 6, 7, 8, 9, 10, and 11, in said Block 32, together with vacated alley adjacent to said Lots 5 and 6;

Subject however to spur track agreement with Transportation Realty Company over the west part of said Lots 1, 2, and 3, and said vacated Vliet Street;

Also all that part of Lot 1, Block 40, said Plat, lying east of a line drawn from a point in the south line of said lot, 16 feet east of the southwest corner of said lot, to a point on the north line of said lot, 8.5 feet east of the northwest corner of said lot; subject to easement to Chicago, Milwaukee, St. Paul and Pacific Railroad Company over the northwest corner of said parcel of land.

3. *East Wells Street Power Plant*: Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9, in Block 47, Plat of Milwaukee, east side of river, in the NE¼ of Section 29, Township 7 north, Range 22 east.

4. *Holton Street Power Plant*: Lots 18, 19, and 20 in the Partition of Lots 2 and 3 in Section 21, Township 7 north, Range 22 east, except the

## Properties Mortgaged.

northeasterly 10 feet of said Lot 20, together with easements over and across said 10 foot strip of land for driveway, guys and anchor.

### Substation Land

5. *Lakeside Substation*: That part of the SE $\frac{1}{4}$  of Section 14, Township 6 north, Range 22 east bounded on the northeast by South Lake Avenue, on the south by East Howard Avenue, and on the west by South Packard Avenue.

6. *Cudahy Tower Substation*: Lots 1 and 2, Block 29, Townsite of Cudahy, in the S $\frac{1}{2}$  of Section 23, Township 6 north, Range 22 east.

7. *Granville Substation*: All that part of the NW $\frac{1}{4}$  of Section 27, Township 8 north, Range 21 east described as follows, to-wit: commencing at the intersection of the north line of the railway right-of-way of Chicago & Northwestern Railway Company and the west line of said Section 27; thence north on said section line 425 feet to a point; thence north 89° 45' east, 1132.11 feet to a point; thence north 75° 49' east, 1588.38 feet to a point on the east line of said NW $\frac{1}{4}$ ; thence south 0° 21' east on said east line 92.2 feet to said north railway right-of-way line; thence south 75° 49' west on said north railway right-of-way line 1324.9 feet to a point; thence south 0° 21' east on the west line of said railway right-of-way 51.57 feet to a point on said north railway right-of-way line; thence south 75° 49' west, 1432.5 feet to the place of beginning.

8. *South 1st Street Substation*: Lots 12 and 13 in Block 133, Judge A. D. Smith's Subdivision, in the NE $\frac{1}{4}$  of Section 5, Township 6 north, Range 22 east, together with vacated alley adjacent to said lots.

9. *North 20th Street Substation*: Lots 26 and 27, in Block 17, in J. A. Schmidt's Subdivision of Lot 1 of C. H. Williams Subdivision, in the SW $\frac{1}{4}$  of Section 18, Township 7 north, Range 22 east.

10. *West Burnham Street Substation*: Lots 10, 11, 12, and 13, in Block 4, Hopkins Park, in the NE $\frac{1}{4}$  of Section 1, Township 6 north, Range 21 east.

11. *North Milwaukee Street Substation*: The south one-half of Lot 3, Block 15, Plat of Milwaukee, east side of river, in the SW $\frac{1}{4}$  of Section 28, Township 7 north, Range 22 east.

12. *North Marshall Street Substation*: The south one-half of Lot 3, Block 97, Plat of Milwaukee, east side of river, in the NW $\frac{1}{4}$  of Section 28, Township 7 north, Range 22 east.

13. *North 5th Street Substation*: Lot 5, and the east 78 feet of Lot 4, Block 53, Plat of Milwaukee, west side of river, in the NE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

14. *West Lisbon Avenue Substation:* The southeast one-half of Lot 10, and all of Lots 11, 12, 13, and 14, in Block 9, Lenox Heights, in the NE $\frac{1}{4}$  of Section 15, Township 7 north, Range 21 east.

15. *West Fairmount Avenue Substation:* That part of the NW $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 36, Township 8 north, Range 21 east, described as follows, to-wit: commencing at a point on the west line of said quarter section 81.35 feet north of the southwest corner of said NW $\frac{1}{4}$  of the SE $\frac{1}{4}$ ; thence north on said west line 111.90 feet; thence east and parallel to the one-eighth section line 460 feet to the west line of the railway right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company; thence southwesterly on said west right-of-way line to a point 81.35 feet north of said one-eighth section line; and thence west to the place of beginning, subject to North 35th Street over the west 40 feet.

16. *North 28th Street Substation:* Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 27 and 28, in Block 12, Resubdivision Block 12, Palmer Co.'s Addition No. 2, in the SE $\frac{1}{4}$  of Section 25, Township 7 north, Range 21 east, together with vacated east and west alley adjacent to said Lots 1 to 12 inclusive, and to said Lot 28;

Also that part of Lots 14, 15, 16, 25, 26 and the vacated north and south alley in said Block 12, lying north of a line described as follows, to-wit: commencing at a point on the north line of said Lot 26, 50 feet west of the northeast corner of said lot; thence south 75° 11' 25" west, 118.95 feet; thence south 69° 50' 20" west, 175.76 feet to the southwest corner of said Lot 16.

17. *North 37th Street Substation:* All that part of the NW $\frac{1}{4}$  of Section 25, Township 7 north, Range 21 east described as follows, to-wit: commencing at a point on the west line of North 37th Street, which point is 726 feet north of the south line and 558.5 feet west of the east line of said quarter section; running thence south on said west street line, 103 feet to the north line of West Wells Street, extended; thence west on said extended street line 208 feet; thence north and parallel to said west street line 63 feet; thence east and parallel to said extended street line 75 feet; thence north and parallel to said west street line 40 feet; and thence east and parallel to said extended street line 133 feet to the place of beginning.

18. *South 84th Street Substation:* Lot 1, Block 1, The Homestead Co.'s Plat in the NW $\frac{1}{4}$  of Section 4, Township 6 north, Range 21 east, except the south 8 feet thereof.

19. *North Oakland Avenue Substation:* All that part of Government Lot 2 in the NE $\frac{1}{4}$  of Section 9, Township 7 north, Range 22 east, described as follows, to-wit: commencing at a point on the east line of said Lot 2,



## Properties Mortgaged.

36.14 feet north of the southeast corner thereof; running thence west and parallel to the south line of said Lot 2, 213.4 feet; thence north and parallel to said east line 104.7 feet; thence east and parallel to said south line 76 feet; thence south and parallel to said east line 39.8 feet; thence east and parallel to said south line 19.6 feet; thence south and parallel to said east line 14.4 feet; thence east and parallel to said south line 117.8 feet to said east line; and thence south on said east line 50.5 feet to the place of beginning; subject to an agreement that the north wall of the substation building and the south wall of the Oakland Avenue Car Station building located at the northwest corner of the intersection of East Edgewood Avenue and North Oakland Avenue shall become and remain a party wall and the common property of the Company and its subsidiary, The Milwaukee Electric Railway & Transport Company, and their respective successors and assigns.

### General Office Land

20. *Public Service Building:* Lots 1, 2, 3, 4, 5, 6, 7 and 8, in Block 75, Plat of Milwaukee, west side of river, in the SE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

### Stores Land

21. *Hillside Stores:* The south one-half of Lot 20, and all of Lots 21, 22, and 23, in Block 1, and the south one-half of Lot 20, and all of Lots 21, 22, 23, 24, and 25, in Block 2 of Becker's Subdivision, in the SW $\frac{1}{4}$  of Section 24, Township 7 north, Range 21 east, together with vacated North 37th Place adjacent to said lots;

Also a strip of land 4 feet in width west of and adjacent to said south one-half of Lot 20, and Lots 21, 22, 23, 24, and 25, in said Block 2;

Also Lots 21, 24, and 25, in Block 1, and Lots 25 and 26 in Block 2, Forest Lawn, a subdivision of said SW $\frac{1}{4}$  of Section 24;

Also the south 4 feet of Lot 15 and all of Lots 16, 17, and 18, in Block 2 of Becker's Subdivision, in the SW $\frac{1}{4}$  of Section 24, Township 7 north, Range 21 east.

### Garage Land

22. *Broadway Garage:* Lot 5, Block 10, Plat of Milwaukee, east side of river, in the NE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

### Miscellaneous Land

23. *Hales Corners Line Crew Headquarters:* That part of the NE $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 6, Township 5 north, Range 21 east, described as

follows, to-wit: commencing at a point on the north line of said Section 6, which point is 451.99 feet south  $88^{\circ} 19'$  west, measured along the north line of said Section 6 from the northeast corner of said Section; running thence south  $88^{\circ} 19'$  west on the north line of said Section, 381.24 feet to a point; thence south  $17^{\circ} 9'$  west, 348.81 feet to a point; thence north  $88^{\circ} 19'$  east, 493.84 feet to a point; thence north  $1^{\circ} 41''$  west 330.13 feet to the place of beginning, containing 3.316 acres.

24. *Town of Lake Yards:* That part of the SW $\frac{1}{4}$  of Section 14, the SE $\frac{1}{4}$  of Section 15, the NE $\frac{1}{4}$  of Section 22 and the NW $\frac{1}{4}$  of Section 23, Township 6 north, Range 22 east, described as follows, to-wit: commencing at the intersection of the center line of East Norwich Avenue and the east line of the railway right-of-way of Chicago & Northwestern Railway Company; thence northwesterly on said east line 1590.11 feet to the center line of East Crawford Avenue; thence east on said center line 150 feet; thence southerly and parallel to said east railway right-of-way line 548.74 feet; thence northeasterly 279.72 feet to the center line of South Kinnickinnic Avenue; thence southeasterly on said center line 296.64 feet; thence north  $64^{\circ} 53'$  east 193 feet; thence north  $25^{\circ}$  west 35 feet; thence north  $64^{\circ} 53'$  east 1069.45 feet; thence east 314 feet to the east line of said Section 15; thence south on said east section line 107.15 feet; thence north  $60^{\circ} 10'$  east 1099.16 feet; thence north 403 feet; thence east 682.2 feet; thence north  $60^{\circ} 10'$  east 700.74 feet; thence northeasterly on a curve of 491.68 foot radius, convex northerly 243.43 feet to a point of tangent; thence east 9.76 feet to the center line of South Lake Avenue; thence southeasterly on said center line to the east line of the SW $\frac{1}{4}$  of said Section 14; thence south on said section line 310.71 feet to the southeast corner of the NE $\frac{1}{4}$  of the SW $\frac{1}{4}$  of said Section 14; thence west on the south line of said NE $\frac{1}{4}$  of the SW $\frac{1}{4}$  673.5 feet to a point; thence south 165 feet; thence west 333 feet; thence south 822.50 feet; thence west 250 feet; thence southwesterly to a point on the south line of said Section 14, 415 feet east of the southwest corner of said Section 14; thence south  $60^{\circ} 10'$  west 478 feet to the east line of said Section 22; thence north on the east line of said Section 22, 236.88 feet; thence west 430 feet; thence south 69.43 feet; thence south  $65^{\circ}$  west 915.58 feet to the center line of South Kinnickinnic Avenue; thence southeasterly on said center line of South Kinnickinnic Avenue to the center line of East Norwich Avenue; thence west on said center line of East Norwich Avenue to the place of beginning.

25. *Powerton Yard:* That part of the SW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 20, Township 6 north, Range 22 east, described as follows, to-wit: commencing at the intersection of the east line of the railway right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and the north line of said SW $\frac{1}{4}$  of the NW $\frac{1}{4}$ ; thence east on said north line

## Properties Mortgaged.

301.95 feet; thence south and parallel to the east line of said NW $\frac{1}{4}$ , 1315.5 feet to the south line of said NW $\frac{1}{4}$ ; thence west on said south line 214.4 feet to said east railway right-of-way line; and thence northwesterly on said east right-of-way line to the place of beginning.

26. *West St. Paul Avenue Loading Track*: The east 172 feet of the west 372 feet of the south 180 feet of a parcel of land in the SE $\frac{1}{4}$  of Section 30, Township 7 north, Range 22 east, bounded on the north by West Clybourn Street, on the east by North 13th Street, on the south by West St. Paul Avenue and on the west by North 15th Street.

27. *North Water Street Garage and Shop*: Lots 14 and 15 in Block 144, in the Partition of the SE $\frac{1}{4}$  of Section 20, Township 7 north, Range 22 east.

28. *North 2d Street Printing Building*: Lot 7, Block 74, Plat of the Town of Milwaukee, west side of river, in the SE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

29. *Orton Building*: West 80 feet of Lots 2, 3, and 6, Block 74, Plat of the Town of Milwaukee, west side of river, in the SE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

30. *South Milwaukee Substation and Office*: Lots 16, 17, 18, 19, 20, 21, and 22, Block 6, Townsite of South Milwaukee, in the NE $\frac{1}{4}$  of Section 11, Township 5 north, Range 22 east.

31. *Broadway Garage Annex*: Lot 3, Block 10, Plat of the Town of Milwaukee, east side of river, in the NE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

32. *Orton Parking Station*: The east 70 feet of Lots 2, 3, and 6, and all of Lot 18, Block 74, Plat of the Town of Milwaukee, west side of river, in the SE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

33. *West McKinley Avenue and North 40th Street Lots*: Lots 19, 20, 21, and 22, Block 2, Forest Lawn, in the SW $\frac{1}{4}$  of Section 24, Township 7 north, Range 21 east.

34. *West Fond du Lac Avenue & North 32nd Street Yard*: That part of Lots 1 and 2 of Subdivision of 18.855 acres, in the NE $\frac{1}{4}$  of Section 13, Township 7 north, Range 21 east, bounded as follows: on the west by North 32nd Street; on the northeast by West Fond du Lac Avenue; and on the south by West Locust Street.

35. *Kinnickinnic Avenue Yard*: That part lying west of South Kinnickinnic Avenue of Lots 5 and 6, in Block 133, Judge A. D. Smith's

Subdivision, in the NE $\frac{1}{4}$  of Section 5, Township 6 north, Range 22 east, together with vacated alley adjacent to said lots.

36. *West Fiebrantz Avenue and North 20th Street Yard*: That part of Block 1 of The Savings and Investment Association of Milwaukee Subdivision No. 21 and Harry Mewes Subdivision No. 2 in the SE $\frac{1}{4}$  of Section 6, Township 7 north, Range 22 east, described as follows, to-wit: commencing at the southwest corner of Lot 3 of said Subdivision No. 2; thence north on the west line of said Subdivision No. 2 and said Block 1, 642 feet to a point on the west line of Lot 2, said Block 1, 16.41 feet north of the southwest corner of said Lot 2; thence east 85.43 feet to the west transmission line right-of-way line of the Company; thence southeasterly on said west right-of-way line to a point 120 feet east of the west line and 15.59 feet south of the north line of Lot 8 in said Block 1; thence south, 120 feet distant from and parallel to said west line, 400 feet to the south line of said Lot 3 Subdivision No. 2; thence west on said south lot line 120 feet to the place of beginning.

37. *West St. Paul Avenue and North 35th Street Tract*: That part of a parcel of land lying outside of the transmission line right-of-way of the Company, in the SW $\frac{1}{4}$  of Section 25, Township 7 north, Range 21 east, described as follows, to-wit: commencing at the northeast corner of Lot 4, Block 1, Continuation of Park Hill; thence west on the north line of said Lot 4, 150 feet; thence north 47.15 feet; thence east and parallel to said north lot line 150 feet to North 35th Street; and thence south 47.15 feet to the place of beginning.

38. *North 37th & West Wells Street Tract*: The west 10 feet of Lot 7 and all of Lots 8 and 9, in Block 3, Lyman's Subdivision in the NW $\frac{1}{4}$  of Section 25, Township 7 north, Range 21 east.

39. *Cotic Tract*: The east one-half of Lot 13, Block 7, Continuation of Park Hill, in the SW $\frac{1}{4}$  of Section 25, Township 7 north, Range 21 east, lying outside the transmission line right-of-way of the Company.

40. *North 5th Street & West Kilbourn Avenue Tract*: Lots 2 and 3 except the north 50 feet, and Lot 4 except the east 78 feet, Block 53, Plat of the Town of Milwaukee, west side of river, in the NE $\frac{1}{4}$  of Section 29, Township 7 north, Range 22 east.

41. *West Silver Spring Drive & North Dexter Street Tract*: The west part of Lot 35, Block 7, Crestwood, in the SW $\frac{1}{4}$  of Section 30, Township 8 north, Range 22 east, measuring 80.30 feet on the northwesterly line and 87.31 feet on the south line.

42. *South 84th Street Tract—West Allis*: Lot 3, Block 1, and Lots 17 and 18, Block 5, The Homestead Co.'s Plat in the NW $\frac{1}{4}$  of Section 4, Township 6 north, Range 21 east.

43. *Part of West Allis Station Tract*: The north 133 feet of that part of the NE $\frac{1}{4}$  of Section 4, Township 6 north, Range 21 east bounded as follows, to-wit: on the north by the north line of said Section 4; on the east by the railway right-of-way of Chicago & Northwestern Railway Company; on the south by West Lapham Street, and on the west by South 84th Street.

44. *Wauwatosa Office*: That part of the SW $\frac{1}{4}$  of Section 22, Township 7 north, Range 21 east described as follows, to-wit: commencing at the intersection of the center line of Harwood Avenue and the west line of said Section; thence south on said section line 41.58 feet to a point; thence south 30° east 105.93 feet to a point; thence north 71° 16' east 64 feet to a point; thence north 35° 31' west 159.14 feet to said center line of Harwood Avenue; thence south 51° 30' west on said center line 27 feet to the place of beginning, subject to a right-of-way over the northeasterly 5 feet of the above described premises, together with a right-of-way over a 5 foot strip of land northeasterly and adjacent to said above described parcel of land.

#### RACINE COUNTY

45. *Racine Power Plant*: Lots 1, 2, 3, 4, 5, and the north one-half of Lot 6, Block 8, Original Plat of the City of Racine, in the SE $\frac{1}{4}$  of Section 9, Township 3 north, Range 23 east.

46. *Burlington Substation*: That part of Block 1, Original Plat of the City of Burlington, lying north of the transmission line right-of-way of the Company, in the NE $\frac{1}{4}$  of Section 32, Township 3 north, Range 19 east;

Also that part of the SE $\frac{1}{4}$  of Section 29, Township 3 north, Range 19 east described as follows, to-wit: commencing at the southeast corner of said section; thence west on the south line of said section, 790 feet; thence north and parallel with the west line of Fifth Street extended north, 90 feet; thence west and parallel to said south section line 200 feet; thence north on said west extended street line 174 feet; thence east and parallel with said south section line 990 feet to the east line of said section; and thence south on said east section line 264 feet to the place of beginning;

Also that part of Block 1, Original Plat of the City of Burlington, lying south of the transmission line right-of-way of the Company.

47. *Nineteenth Street Substation—Racine*: Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, and 17, Block 15, Guenther, Palmer & Fidler's Subdivision in the NW $\frac{1}{4}$  of Section 20, Township 3 north, Range 23 east.

48. *Town of Rochester Gravel Land*: That part of the NE $\frac{1}{4}$  of Section 2, Township 3 north, Range 19 east described as follows, to-wit: commencing at a point on the south line of said NE $\frac{1}{4}$ , 50 feet west of the

southeast corner thereof; thence north and parallel to the east line of said Section 2, 901 feet to a point; thence west 308.64 feet to a point in the east line of the transmission line right-of-way of the Company 100 feet in width; thence southwesterly on said east right-of-way line to the south line of said NE $\frac{1}{4}$  and thence east on said south line to the place of beginning;

Also that part of said NE $\frac{1}{4}$  of Section 2 described as follows, to-wit: commencing at a point on the west line of the transmission line right-of-way of the Company which point is 229 feet north of the south line; thence north on the west line of lands formerly owned by Nicholas Beck, 674.29 feet; thence west 192.91 feet to a point; thence north 467.07 feet to the south line of lands formerly owned by The Ela Company; and thence east on said south property line to said west right-of-way line; and thence southeasterly on said west right-of-way line to the place of beginning;

Also all that part of the SE $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 15, Township 3 north, Range 19 east lying southeasterly of the transmission line right-of-way of the Company.

49. *Main Street Property—Racine:* Lots 12 and 13, Block 8, Original Plat of the City of Racine, in the SE $\frac{1}{4}$  of Section 9, Township 3 north, Range 23 east.

50. *Douglas Avenue Land—Racine:* That part of the NE $\frac{1}{4}$  of Section 5, Township 3 north, Range 23 east described as follows, to-wit: commencing at a point on the center line of Layard Avenue, 290 feet east of the east line, from the south, of the railway right-of-way of the Chicago & Northwestern Railway Company; thence south to a point 261 feet north of the south line of said NE $\frac{1}{4}$  of Section 5; thence east, parallel to said south line, to the center line of Douglas Avenue; thence northeasterly on said center line to the center line of Layard Avenue; and thence west on said center line of Layard Avenue to the place of beginning.

#### OZAUKEE COUNTY

51. *Port Washington Power Plant:* Lots 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, and 31, in Block 10, in the South Addition to the City of Port Washington, a part of Government Lot 4, Section 28, Township 11 north, Range 22 east, together with the vacated streets and alleys adjacent to said lots; that part of Lots 1, 2, 3, 4, 5, 6, 7, 8, and 9, in Block 15, said South Addition, lying south of a line drawn 75 feet south of, at right angles to the southface of the north wall of Sauk Creek, together with vacated streets and alleys adjacent to said lots; all of Blocks 13, 14, 19, and 20 in said South Addition, together with the vacated streets and alleys adjacent to said blocks; all of blocks 18, 22, 23, and 24, in said South Addition, together with the vacated streets and alleys adjacent to said blocks, the

## Properties Mortgaged.

riparian rights appurtenant thereto and the dock of the Company adjacent to said Blocks 18, 22, 23, and 24, authorized by Ordinance of the City of Port Washington;

Also Lots 7 and 8, Block 10, in the South Addition to the City of Port Washington, a part of Government Lot 4, Section 28, Township 11 north, Range 22 east, together with the vacated alley adjacent to said lots.

52. *Port Washington Office*: Lots 1 and 2, Block 31, Original Plat of the City of Port Washington, in Section 28, Township 11 north, Range 22 east, together with vacated  $W\frac{1}{2}$  of Franklin Street.

53. *Port Washington Parking Lot*: Lots 5, 6, and 7, Block 30, Original Plat of the City of Port Washington, in Section 28, Township 11 north, Range 22 east.

54. *Port Washington Ash Dump*: That part of the  $N\frac{1}{2}$  of the  $SE\frac{1}{4}$  of Section 4, Township 11 north, Range 22 east, described as follows, to-wit: commencing at a point on the east line of said section, 16.5 feet south of the north line of said quarter section; thence south on said east section line 1186.1 feet; thence south  $87^{\circ} 45'$  west 1348.95 feet to the east line of the transmission line right-of-way of the Company; thence north  $2^{\circ} 51'$  east on said east right-of-way line 1189.9 feet to a point 16.5 feet south of said north quarter section line; and thence north  $87^{\circ} 45'$  east and parallel to said north line 1289.8 feet to the place of beginning.

55. *Cedarburg Coal Yard*: That part of Lot 35, H. L. Coe's Survey of the City of Cedarburg, described as follows, to-wit: commencing at a point on the west line of said Lot 35, 100 feet north of the southwest corner thereof; thence north on said west line 90 feet; thence east 200 feet; thence south 40 feet; thence east 20 feet; thence south 50 feet; thence west 220 feet to the place of beginning.

## WALWORTH COUNTY

56. *East Troy Substation*: That part of Lot 1, Block 1, Original town of East Troy, and of Lot 1, Block 5, S. B. Edward's Addition, in the  $SW\frac{1}{4}$  of Section 20, Township 4 North, Range 18 east, described as follows, to-wit: commencing at the northwest corner of said Lot 1, Block 1; running thence east on the north line of said Lot 1, Block 1, to a point which is 5 feet northwesterly of the brick pilaster wall of the substation building measured at right angles to said wall; thence northeasterly, parallel to and 5 feet distant from said building wall, to a point on the northeasterly pilaster wall of said building produced northwesterly; thence east and parallel to the north line of said Lot 1, Block 1, to a point on the northwesterly right-of-way line of the old Beloit Grade; thence north-

easterly on said old Beloit Grade line to the east line of said Lot 1, Block 5; thence south on the east line of said Lot 1, Block 5, and said Lot 1, Block 1, to a point which is 17 feet south of the southeast corner of said Lot 1, Block 5; thence southwesterly on a straight line to a point on the west line of said Lot 1, Block 1, which is 90 feet south of the northwest corner of said Lot 1, Block 1; and thence north on said west lot line to the place of beginning.

57. *East Troy Lots:* That part of the SE $\frac{1}{4}$  of Section 19, Township 4 north, Range 18 east in the Village of East Troy, described as follows, to-wit: commencing at the intersection of the north line of the Public School Park Lands and the west line of Center Avenue, vacated; thence west on said north line 228 feet; thence north 21.6 feet to the south line of the right-of-way of the Company; thence northeasterly on said south right-of-way line to said west vacated avenue line; and thence south on said west vacated avenue line 70 feet to the place of beginning;

That part of Lot 2, Block 2, Original Town of East Troy in the SW $\frac{1}{4}$  of Section 20, Township 4 north, Range 18 east described as follows, to-wit: commencing on the east line of Division Street, 70 feet south of the northwest corner of said Lot 2; running thence northeasterly on a curve to the left, the radius of which is 550 feet, 130 feet to a point; thence northeasterly on a straight line to a point in the west line of Church Street, 1.5 feet south of the northeast corner of said Lot 2; thence north 1.5 feet to the northeast corner of said Lot 2; thence west on the north line of said Lot 2 to the east line of Division Street; and thence south 70 feet to the place of beginning;

That part of Lot 1, Block 5, S. B. Edward's Addition, in the SW $\frac{1}{4}$  of Section 20, Township 4 north, Range 18 east, described as follows, to-wit: commencing at the southwest corner of said lot; running thence east on the south line of said lot to a point which is 5 feet northwesterly of the brick pilaster wall of the Company's East Troy Substation building, measured at right angles to said wall; thence northeasterly, parallel to and 5 feet distant from said building wall, to a point on the northeasterly pilaster wall of said building produced northwesterly; thence east and parallel to the north line of said lot to a point on the northwesterly right-of-way line of the old Beloit Grade; thence northeasterly on said old Beloit Grade line to the east line of said lot; thence north on said east lot line to a point 66 feet north of the southeast corner of said lot; thence west and parallel with the south line of said lot, 165 feet to the west line of said lot; thence south on said west lot line to the place of beginning.

#### WAUKESHA COUNTY

58. *County Line Substation:* That part of the north 35 acres of the east 60 acres of the NE $\frac{1}{4}$  of Section 13, Township 7 north, Range 20 east,



described as follows, to-wit: commencing at a point on the east line of said Section 13, 1426.7 feet south of the northeast corner thereof; thence south on said section line 120 feet to the southeast corner of said north 35 acres; thence north  $88^{\circ} 6'$  west, 170 feet; thence north and parallel to said east section line 120 feet; thence south  $88^{\circ} 6'$  east, 170 feet to the place of beginning.

59. *Waukesha Beach Substation*: That part of the north 135 feet of the east 80 feet of the SW $\frac{1}{4}$  of the NE $\frac{1}{4}$  of Section 24, Township 7 north, Range 18 east, lying outside the right-of-way of the Company.

60. *Genesee Substation*: That part of the NE $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 22, Township 6 north, Range 18 east, described as follows, to-wit: commencing at the intersection of the south line of the railway right-of-way of Chicago, Milwaukee, St. Paul and Pacific Railroad Company with the east line of said NW $\frac{1}{4}$  of Section 22; thence southwest on said south right-of-way line 180.3 feet to the west line of the public highway; thence southeast on said west highway line 50.6 feet to a point which is the beginning of the lands herein described; thence southwest at right angles to said west highway line 60 feet; thence southeast and parallel to said west highway line 60 feet; thence northeast at right angles to said west highway line to the center line of said highway; and thence northwest on said center line 60 feet; and thence southwest to the place of beginning.

61. *North Lake Substation*: That part of the NW $\frac{1}{4}$  of Section 15, Township 8 north, Range 18 east, described as follows, to-wit: commencing at the northwest corner of said Section 15; running thence south on the west line of said section 467.39 feet to the center line of the highway; thence southeast on said highway center line 126.57 feet to the place of beginning for this description; thence north and parallel to said west section line 78 feet; thence southeasterly and parallel to said center line 72 feet; thence south and parallel to said west section line 78 feet; thence northwesterly on said center line 72 feet to the place of beginning.

62. *Oconomowoc Substation*: Lot 31, Worthington's Second Addition to the City of Oconomowoc, except the east 100.72 feet thereof, in the SE $\frac{1}{4}$  of Section 32, Township 8 north, Range 17 east.

63. *Delafield Line Crew Headquarters*: Lots 1, 2, 3, 4, 5, 12 and 13, in Block 14, Hawk's Addition to Delafield, in the NE $\frac{1}{4}$  of Section 19, Township 7 north, Range 18 east.

64. *Big Bend Yard*: That part of the NE $\frac{1}{4}$  of Section 23, Township 5 north, Range 19 east, described as follows, to-wit: commencing at a point on the east line of said Section 23, 758.14 feet south of the northeast corner thereof; thence south on said section line 272.86 feet to the

north line of the right-of-way of the Company; thence southwesterly on said north right-of-way line 1671.75 feet; thence north 273.01 feet; thence northeasterly in a straight line to the place of beginning.

65. *Waukesha Beach Tract*: Lots 1, 2, 3, 4, and 5 of Block "B" Plat of Waukesha Beach in the SE¼ of Section 13, Township 7 north, Range 18 east and in the NE¼ of Section 24, Township 7 north, Range 18 east, excepting therefrom the right-of-way of the Company across said Block "B";

Also Lots 12 and 13 on the north side of said Block "B".

66. *Hartland Headquarters*: Lot 19 of Pawling's Second Subdivision of Block 5 in the NE¼ of Section 3, Township 7 north, Range 18 east in the Village of Hartland.

67. *Pewaukee Office*: That part of the NW¼ of Section 9, Township 7 north, Range 19 east, in the Village of Pewaukee, described as follows, to-wit: commencing at a point on the northeasterly line of Main Street, 129.7 feet southeast of the intersection of said northeasterly street line with the west line of said section; thence southeast on said northeasterly street line 65 feet; thence northeasterly at right angles to said street line 268.59 feet to the southwesterly right-of-way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company; thence northwest on said right-of-way line 86.81 feet; thence south 16° west 60.62 feet; and thence south 62° 40' west 168.70 feet to the place of beginning.

68. *Franklin Street Lot—Oconomowoc*: The east 100.72 feet of Lot 31, Worthington's Second Addition to Oconomowoc.

69. *Land Adjacent to Oconomowoc Yards*: That part of the SW¼ of Section 32, Township 8 north, Range 17 east, bounded on the north by the railway right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company; on the east by a line 335 feet west distant from and parallel to Elm Street; on the south by the transmission line right-of-way of the Company; and on the west by the Oconomowoc River.

70. *Nemahbin Gravel Pit*: That part of the NE¼ of Section 24, Township 7 north, Range 17 east, described as follows, to-wit: commencing at the intersection of the center line of State Trunk Highway 30 and the west line of the road leading to Wisconsin Home & Farm School; thence south 5° 44' west on said west road line 436 feet; thence south 81° 11' west 1046.67 feet; thence north 18° 58' west, 609.5 feet to the south line of the transmission line right-of-way of the Company; thence south 78° 34' east, 254 feet to the center line of said Highway 30; thence southeasterly and northeasterly on said center line to the place of beginning.

71. *Waukesha Mill Reserve*: That part of the mill reserve in the NE $\frac{1}{4}$  of Section 3, Township 6 north, Range 19 east described as follows, to-wit: commencing at the northeast corner of Lot 4, Kimball's Second Subdivision of a part of the mill reserve; running thence southwesterly along the southeasterly boundary line of said Lot 4, 76.67 feet to the south line of Lots 1, 2, 3 and 4 in said Kimball's Second Subdivision; thence southeasterly on said southerly lot line, extended, to the west bank of Fox River; thence southeasterly at right angles to the center line or thread of Fox River to the center line or thread of Fox River; thence northeasterly along said center line or thread of Fox River to the intersection thereof with the center line of Madison Street, thence northwesterly along said center line of Madison Street to the point where the same would be intersected by the southeasterly boundary line of said Lot 4, extended north-easterly; thence southwesterly along said extended line of said Lot 4 to the point or place of beginning.

JEFFERSON COUNTY

72. *Market Street Property—Watertown*: North 27 feet of west 74 feet 2 inches of Lot 2, Block 14, Cole, Bailey & Co.'s Addition, original plat of Watertown, NE $\frac{1}{4}$  of Section 4, Township 8 north, Range 15 east; Also, all except west 74 feet 2 inches of north 27 feet of Lot 2, and the north 22 feet of west 16 feet of Lot 1, Block 14, Cole, Bailey & Co.'s Addition, original plat of Watertown.

73. *Hensel-Fischer Tract—Watertown*: That part of NW $\frac{1}{4}$  of Section 10, Township 8 north, Range 15 east described as follows, to-wit: commencing at a point on the east line of said NW $\frac{1}{4}$  of Section 10, 605.30 feet north of the southeast corner of said NW $\frac{1}{4}$  Section; thence west 21.71 feet to the east transmission line right-of-way of the Company; thence northwesterly on said east right-of-way line 881.88 feet thence north 8° 51' east 186.45 feet; thence south 85° 09' east 335.10 feet, to the center of a ditch and thence southeasterly 902.06 feet, on said ditch center line to the place of beginning;

Also that part of said NW $\frac{1}{4}$  Section 10, described as follows, to-wit: commencing at a point on the east line of said NW $\frac{1}{4}$  Section 605.30 feet north of the southeast corner of said NW $\frac{1}{4}$  Section, thence west 147.69 feet to the west right-of-way line of the Company, thence northwest on said west right-of-way line 395.72 feet, thence south 2° 09' west to a point 605.30 feet north of the south line of said NW $\frac{1}{4}$  of Section 10, and thence east to the place of beginning.

RIGHTS OF WAY

74. *Milwaukee Rapid Transit Line Right-of-Way, North 8th Street to West Junction*: The rights and interests of the Company in the strip

of land for transmission line and railway purposes, commencing at Lot 4, Block 133, Plat of the Town of Milwaukee, west side of river, in the City of Milwaukee, Milwaukee County, State of Wisconsin; running thence south and west through said Block 133; thence west through Block 132 of said Plat of the Town of Milwaukee, west side of river, Block 250 James Kneeland's Subdivision, Hibernia Street, Block 249 of said James Kneeland's Subdivision, vacated North 12th Street, Block 194 of Roger's Subdivision, unplatted lands in the SE $\frac{1}{4}$  of Section 30, Township 7 north, Range 22 east, lying between North 13th Street and North 15th Street, Blocks 260, 261, and 262 of St. Paul Avenue Improvement Company's Subdivision No. 2, vacated North 17th Street, Blocks 1, 2, and 3 of the Subdivision of Block 260, the vacated alleys in said Blocks 1, 2, and 3, and Block 5 in Mariner's Addition; thence southwesterly through Block 5 of Resubdivision of Block No. 5 of Cross & Ludington's Addition, Block 7 of Central Land Company's Subdivision, unplatted land in the SW $\frac{1}{4}$  of Section 30, Township 7 north, Range 22 east lying between North 27th Street and the east and west alley in said Block 7, Resubdivision of Block 12 of Palmer & Co.'s Addition No. 2, vacated North 28th Street, Blocks 13 and 14 of Palmer & Co.'s Addition No. 2, vacated North 29th Street, vacated North 30th Street, and vacated alley in said Block 14, Blocks 18 and 17 of Continuation of Merrill's Park, the vacated alleys in said Blocks 18 and 17, Resubdivision of Lots 6, 7, 8, 9, and "A" of Block 16 of the Continuation of Merrill's Park, Block 7 of the Continuation of Park Hill, Block 14 of the Second Continuation of Park Hill, and vacated West Stevenson Street; thence northwesterly through Lot 7 of Rapid Transit Lots, Block 17 of R. N. Kimball's Subdivision, vacated West Park Hill Avenue, Blocks 15 and 16 of Paine and Stacy's Subdivision, and vacated North 41st Street, to the east line of the railway right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company; thence continuing from the west line of said railway right-of-way southwesterly through H. F. Storey's Subdivision and unplatted lands of the E $\frac{1}{2}$  of Section 26, Township 7 north, Range 21 east; thence west through the W $\frac{1}{2}$  of said Section 26; thence southwesterly and west through Block 1, Maplewood Subdivision; thence west through Blocks 1 and 2 of Johnson's Woods No. 3, Blocks 3, 4, and 5 of Johnson's Woods No. 2, Blocks 6, 7, and 8 of Johnson's Woods No. 1, Blocks 5 and 6 of Euclid Park, Blocks 3 and 8 of Golfside Gardens, Block 8 of Golfside Gardens No. 2, Blocks 1, 2, 3, and 4, Reliance Land Co.'s Subdivision, Blocks 1, 2, 3, and 4 of Highwood, the NW $\frac{1}{4}$  of the NE $\frac{1}{4}$  and the NW $\frac{1}{4}$  of Section 33, Township 7 north, Range 21 east; thence southwesterly through the NE $\frac{1}{4}$  of Section 32, township and range aforesaid; thence south through the SE $\frac{1}{4}$  of said Section 32; thence south and southwesterly through the N $\frac{1}{2}$  of Section 5, Township 6 north, Range 21 east to the railway right-of-way of the Chicago & Northwestern Railway Company; excepting, however,

## Properties Mortgaged.

the rail lines and appurtenances thereto and miscellaneous transportation structures located on said right-of-way.

75. *Milwaukee-West Allis Right-of-Way*: The rights and interests of the Company for transmission line and railway purposes in the premises described as follows: Lots 8, 9, and 14, Block 7, Murray Hill, in the NW $\frac{1}{4}$  of Section 26, Township 7 north, Range 21 east, Lot 3, the east 15 feet of Lot 6, the east 10 feet of Lot 7, the east 15 feet of Lot 16, the west 15 feet of Lot 17, and all except the east 75 feet of Lots 19, 20, 21, 22, 23, 24, 25, and 26, Block 2, Oakland Heights in the SW $\frac{1}{4}$  of said Section 26; thence south and west in said SW $\frac{1}{4}$  of Section 26 to South Hawley Road in the City of Milwaukee;

Also all of Lots 10, 11, 12, 13, 18, 19, and 20, and that part of Lots 9, 21, and 22, Block 5, Euclid Park, in the NW $\frac{1}{4}$  of Section 34, Township 7 north, Range 21 east, which lie south of a line drawn from a point 3 feet south of the northwest corner of said Lot 9, southeasterly in a straight line to a point in the east line of said Lot 21, 23 feet south of the northeast corner thereof; excepting therefrom the Milwaukee-Watertown transmission line and railway right-of-way of the Company;

Also Lots 13, 16, 17, and 18, and the north 10 feet of Lot 14, Block 6, said Euclid Park;

Also a right-of-way over lands of Chicago, Milwaukee, St. Paul and Pacific Railroad Company east of and adjoining South 70th Street in the City of Milwaukee, and continuing thence south in the W $\frac{1}{2}$  of Section 34, Township 7 north, Range 21 east to West Greenfield Avenue in the City of West Allis;

Excepting, however, the rail lines and appurtenances thereto and miscellaneous transportation structures located on said right-of-way.

76. *Lakeside Belt Line Right-of-Way*: The rights and interests of the Company in the strip of land used for transmission line and railway purposes described as follows: commencing in the County of Milwaukee, State of Wisconsin, in Blocks 2 and 3, Sivyer & Betz Land Company Subdivision No. 3, thence southwesterly and west through N $\frac{1}{2}$  of Section 22, N $\frac{1}{2}$  of Section 21, N $\frac{1}{2}$  of Section 20, N $\frac{1}{2}$  of Section 19, Township 6 north, Range 22 east; thence west through N $\frac{1}{2}$  of Section 24, N $\frac{1}{2}$  of Section 23, N $\frac{1}{2}$  of Section 22, N $\frac{1}{2}$  of Section 21, including Blocks B, C, F, G and J, together with the vacated streets and alleys adjacent to said Blocks in West Allis Heights, and NE $\frac{1}{4}$  of Section 20, Township 6 north, Range 21 east to a connection with the Milwaukee-East Troy right-of-way of the Company; including the railway lines located thereon and appurtenances and miscellaneous structures.

77. *City of Cudahy and Town of Lake Right-of-Way*: The rights and interests of the Company in a strip of land 35 feet wide lying east of and

adjoining the right-of-way of the Chicago & Northwestern Railway Company and extending from Tesch Avenue in the NE $\frac{1}{4}$  of Section 22, Township 6 north, Range 22 east in the Town of Lake, Milwaukee County, southeasterly through the E $\frac{1}{2}$  of said Section 22 and the SW $\frac{1}{4}$  of Section 23, said township and range, to Cudahy Avenue in the City of Cudahy;

Also a 20 foot strip of land west of and adjoining the east line of the NW $\frac{1}{4}$  of Section 35, Township 6 north, Range 22 east and extending from the north line of said Section 35 to the Chicago Road, together with the triangle between said last above described strip of land and Chicago Road and south of a line parallel to and 990 feet north of the south line of said NW $\frac{1}{4}$  of Section 35;

Also a 16.5 foot strip of land east of and adjoining the west line of the NE $\frac{1}{4}$  of Section 35, Township 6 north, Range 22 east and extending from the north line of the SW $\frac{1}{4}$  of the NE $\frac{1}{4}$  of said Section 35 to Chicago Road;

Excepting, however, the rail lines and appurtenances thereto and miscellaneous transportation structures located on said right-of-way.

78. *St. Martins-Burlington Right-of-Way*: The rights and interests of the Company in a strip of land for transmission line purposes, 75 feet wide extending from a line 1110.6 feet north of and parallel to the south line of the NW $\frac{1}{4}$  of Section 18, Township 5 north, Range 21 east, Milwaukee County, Wisconsin, south through the W $\frac{1}{2}$  of said Section 18, south and southwesterly through the NW $\frac{1}{4}$  of Section 19, said township and range to the south line of said one-quarter section; thence a strip of land 100 feet wide running southwesterly through the SW $\frac{1}{4}$  of said Section 19 and the NW $\frac{1}{4}$  of Section 30, said township and range, to the west line of said Milwaukee County; thence continuing a 100 foot strip of land in the County of Waukesha, State of Wisconsin, southwesterly through the N $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 25, the S $\frac{1}{2}$  of Section 26, the NW $\frac{1}{4}$  of Section 35, the N $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 34, and the SE $\frac{1}{4}$  of Section 33 in Township 5 north, Range 20 east to the south line of said Waukesha County; thence continuing a 100 foot strip of land in the County of Racine, State of Wisconsin, southwesterly through the N $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 4, the SE $\frac{1}{4}$  of Section 5, the E $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 8, the W $\frac{1}{2}$  of Section 17, the SE $\frac{1}{4}$  of Section 18, the E $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 19, and the NW $\frac{1}{4}$  of Section 30, in Township 4 north, Range 20 east; thence southwesterly through the E $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 25, and the W $\frac{1}{2}$  of Section 36, in Township 4 north, Range 19 east; thence southwesterly through the NE $\frac{1}{4}$  of Section 1, the E $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 2, the N $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 11, the W $\frac{1}{2}$  of Section 14, the SE $\frac{1}{4}$  of Section 15, the N $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 22, the S $\frac{1}{2}$  of Section 21, the W $\frac{1}{2}$  of Section 28, the NW $\frac{1}{4}$  of Section 33, and the NE $\frac{1}{4}$  of Section 32 in Township 3 north, Range 19 east to

Seventh Street in the City of Burlington; also the right-of-way through Blocks 2, 10, 11, and 17, Original Plat of the City of Burlington to Short Street in said City of Burlington; excepting, however, the rail lines and appurtenances thereto and miscellaneous transportation structures located on said right-of-way.

79. *Milwaukee-East Troy and East Troy Connecting Line Right-of-Way*: The rights and interests of the Company in a strip of land for transmission line and railway purposes described as follows: commencing in the Town of Greenfield, Milwaukee County, Wisconsin, at a line 60 feet south of the north line of the S $\frac{1}{2}$  of Section 5, Township 6 north, Range 21 east, running thence southwesterly through the S $\frac{1}{2}$  of said Section 5 and south through Section 8, Section 17 and Section 20; thence southwesterly and south through the N $\frac{1}{2}$  and SW $\frac{1}{4}$  of Section 29, NW $\frac{1}{4}$  of Section 32 and SE $\frac{1}{4}$  of Section 31, SW $\frac{1}{4}$  of Section 32, Township 6 north, Range 21 east; thence southwesterly and south on North Cape Road and private right-of-way in E $\frac{1}{2}$  of Section 6, and Section 7, Township 5 north, Range 21 east; thence west in said Section 7 and NW $\frac{1}{4}$  of Section 18 to the east line of Waukesha County, thence west in the S $\frac{1}{2}$  of Section 12 and N $\frac{1}{2}$  of Section 13, S $\frac{1}{2}$  of Section 11 and N $\frac{1}{2}$  of Section 14, the S $\frac{1}{2}$  of Section 10, and N $\frac{1}{2}$  of Section 15, the S $\frac{1}{2}$  of Section 9; NE $\frac{1}{4}$  of Section 16; thence southwesterly in the NW $\frac{1}{4}$  of Section 16, N $\frac{1}{2}$  and SW $\frac{1}{4}$  of Section 17, and southwesterly through S $\frac{1}{2}$  of Section 18, Township 5 north, Range 20 east, thence southwesterly through SE $\frac{1}{4}$  of Section 13 and N $\frac{1}{2}$  of Section 24; N $\frac{1}{2}$  and SW $\frac{1}{4}$  of Section 23, S $\frac{1}{2}$  of Section 22, S $\frac{1}{2}$  of Section 21, NW $\frac{1}{4}$  of Section 28; N $\frac{1}{2}$  of Section 29, E $\frac{1}{2}$  and SW $\frac{1}{4}$  of Section 30, Township 5 north, Range 19 east; S $\frac{1}{2}$  of Section 25; SE $\frac{1}{4}$  of Section 26, N $\frac{1}{2}$  and SW $\frac{1}{4}$  of Section 35, Township 5 north, Range 18 east; to the north line of the County of Walworth, thence southwesterly through NW $\frac{1}{4}$  of Section 2; S $\frac{1}{2}$  and NE $\frac{1}{4}$  of Section 3, N $\frac{1}{2}$  and SW $\frac{1}{4}$  of Section 10, SE $\frac{1}{4}$  of Section 9, Section 16, NW $\frac{1}{4}$  of Section 21, NE $\frac{1}{4}$  and S $\frac{1}{2}$  of Section 20, and SE $\frac{1}{4}$  of Section 19, Township 4 north, Range 18 east in the Village of East Troy, Wisconsin;

Excepting, however, the rail lines and appurtenances thereto and miscellaneous transportation structures located on said right-of-way, part of which lines extending to the Village of Hales Corners (the south line of Township 6 north, Range 21 east, Milwaukee County, Wisconsin), and appurtenances thereto and transportation structures, are owned by The Milwaukee Electric Railway & Transport Company, and part of which lines extending from such point into the Village of East Troy, and appurtenances thereto and part of such transportation structures, are owned by the Company but are excepted from the lien of this Indenture.

80. *Milwaukee-Watertown Right-of-Way*: The rights and interests of the Company in the strip of land for transmission line and railway purposes commencing at the west line of Blocks 2 and 6 of The Homestead Co.'s Plat in the City of West Allis, Milwaukee County, State of Wisconsin, thence running west and southwesterly through the NW $\frac{1}{4}$  of Section 4, Township 6 north, Range 21 east, the N $\frac{1}{2}$  of Section 5, and the N $\frac{1}{2}$  of Section 6, township and range aforesaid, to the east line of Waukesha County, State of Wisconsin; thence west in said Waukesha County through Sections 1, 2, 3, 4, 5, and 6, all in Township 6 north, Range 20 east, Section 1 and the E $\frac{1}{2}$  of Section 2 in Township 6 north, Range 19 east, to the east line of Hadfield's Second Addition in the City of Waukesha; thence westerly and southwesterly on Lincoln Avenue, northwesterly on Broadway and Madison Streets, northeasterly on Delafield Avenue, and northwesterly on Summit Avenue to private right-of-way in the SE $\frac{1}{4}$  of Section 33, Township 7 north, Range 19 east; thence northwesterly on private right-of-way through the E $\frac{1}{2}$  and the NW $\frac{1}{4}$  of said Section 33, the W $\frac{1}{2}$  of Section 28, the NE $\frac{1}{4}$  of Section 29, the S $\frac{1}{2}$  and the NW $\frac{1}{4}$  of Section 20, the N $\frac{1}{2}$  of Section 19, and the SW $\frac{1}{4}$  of Section 18, all in Township 7 north, Range 19 east; thence southwesterly in the Plat of Waukesha Beach; thence through the N $\frac{1}{2}$  of Section 24 and the N $\frac{1}{2}$  of Section 23, Township 7 north, Range 18 east; thence northwesterly through the N $\frac{1}{2}$  of Section 22, township and range aforesaid; thence southwesterly through the NE $\frac{1}{4}$  of Section 21, township and range aforesaid; thence northwesterly through the W $\frac{1}{2}$  of Section 21 and the N $\frac{1}{2}$  of Section 20, township and range aforesaid, to Blecker Street in the Town of Delafield; thence west on Front Street in said Township into the NE $\frac{1}{4}$  of Section 19, township and range aforesaid southwesterly through the N $\frac{1}{2}$  of said Section 19; thence southwesterly and northwesterly through the N $\frac{1}{2}$  of Section 24, Township 7 north, Range 17 east; thence north through the E $\frac{1}{2}$  of Section 14; thence north and west through the SE $\frac{1}{4}$  of Section 11; thence west through the S $\frac{1}{2}$  of Section 10, and the SE $\frac{1}{4}$  of Section 9; thence northwesterly through the W $\frac{1}{2}$  of Section 9; thence north through the NE $\frac{1}{4}$  of Section 8 and the E $\frac{1}{2}$  of Section 5, all in Township 7 north, Range 17 east, to Jefferson Street in the City of Oconomowoc, thence on South Franklin Street and South 2nd Street to South Elm Street in said City of Oconomowoc; thence on private right-of-way northwesterly through the SW $\frac{1}{4}$  of Section 32 and the SE $\frac{1}{4}$  and W $\frac{1}{2}$  of Section 31, Township 8 north, Range 17 east, to the east line of Jefferson County in the State of Wisconsin; thence northwesterly in said Jefferson County through the N $\frac{1}{2}$  of Section 36, Township 8 north, Range 16 east, the NE $\frac{1}{4}$  of Section 35 and the S $\frac{1}{2}$  of Section 26, township and range aforesaid; thence west through the S $\frac{1}{2}$  of Section 27; thence northwesterly through the SE $\frac{1}{4}$  and the W $\frac{1}{2}$  of Section 28, the NE $\frac{1}{4}$  of



Section 29, the S $\frac{1}{2}$  and the NW $\frac{1}{4}$  of Section 20, the NE $\frac{1}{4}$  of Section 19, and the S $\frac{1}{2}$  of Section 18, all in Township 8 north, Range 16 east; thence northwesterly through the S $\frac{1}{2}$  and the NW $\frac{1}{4}$  of Section 13, the N $\frac{1}{2}$  of Section 14, the SW $\frac{1}{4}$  of Section 11, the E $\frac{1}{2}$  and the NW $\frac{1}{4}$  of Section 10, and the SW $\frac{1}{4}$  of Section 3, all in Township 8 north, Range 15 east, to Richards Avenue in the City of Watertown; thence northwesterly on Richards Avenue and Western Avenue to Second Street; thence north on Second Street to the terminal of The Milwaukee Electric Railway & Transport Company at First, Second and Market Streets in said City of Watertown;

Also commencing at Western Avenue and Second Street in said City of Watertown; running thence south on Second Street and through Block 5 of Cole, Bailey & Co.'s Addition, to Stimpson Street in said City of Watertown;

Excepting, however, the rail lines and appurtenances thereto and miscellaneous transportation structures, located on said right-of-way, part of which lines extending to the west limits of the City of Waukesha, and appurtenances thereto and transportation structures, are owned by The Milwaukee Electric Railway & Transport Company, and part of which lines extending from such point into the City of Watertown, and appurtenances thereto and part of such transportation structures, are owned by the Company but are excepted from the lien of this Indenture.

81. *Milwaukee-Sheboygan Right-of-Way*: The rights and interests of the Company in the strip of land used for transmission line and railway purposes commencing at North 19th Place, in the City of Milwaukee, at Lot 1, Block 4, Peoples Building and Loan Association Subdivision No. 7; thence northwesterly and north through Harry Mewes Subdivision No. 2, Blocks 1 and 2 of The Saving & Investment Association of Milwaukee Subdivision No. 21, Block 1 of A. L. Grootemaat & Son's Inc. Subdivision, Block 1 of Eviston Heights, Block 1 of North Ridge, Block 1 of Jenners Acres, and unplatted land in the S $\frac{1}{2}$  and NW $\frac{1}{4}$  of Section 6, Township 7 north, Range 22 east; thence north and northwest through Section 31, Block 3 of Crestwood Addition, Block 7 of Crestwood Subdivision, and the W $\frac{1}{2}$  of Section 30, all in Township 8 north, Range 22 east; thence northwesterly, east of and adjoining the railway right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company, through the NE $\frac{1}{4}$  of Section 25, the E $\frac{1}{2}$  of Section 24, the SE $\frac{1}{4}$  and W $\frac{1}{2}$  of Section 13, the W $\frac{1}{2}$  of Section 12, the NE $\frac{1}{4}$  of Section 11, and the E $\frac{1}{2}$  of Section 2, all in Township 8 north, Range 21 east, to the south line of Ozaukee County; thence northwesterly in Ozaukee County through the SE $\frac{1}{4}$  and W $\frac{1}{2}$  of Section 35, the W $\frac{1}{2}$  of Section 26, the NE $\frac{1}{4}$  of Section 27, the E $\frac{1}{2}$  of Section 22, the E $\frac{1}{2}$  of Section 15, the SE $\frac{1}{4}$  of Section 10; thence leaving the right-of-way of said Chicago, Milwaukee, St. Paul and Pacific

Railroad Company and running northerly through the NE $\frac{1}{4}$  of Section 10, the E $\frac{1}{2}$  of Section 3, all in Township 9 north, Range 21 east; thence northeasterly through the E $\frac{1}{2}$  of Section 34, H. L. Coe's Survey of the City of Cedarburg in the SE $\frac{1}{4}$  of Section 27, Blocks 1, 2, and 3 of Hilgen & Schroeder's Addition, H. L. Coe's Survey of the City of Cedarburg in the SW $\frac{1}{4}$  of Section 26, the N $\frac{1}{2}$  of Section 26, the SE $\frac{1}{4}$  of Section 23, all in the Town of Cedarburg, the S $\frac{1}{2}$  of Section 24 in the Town of Grafton, Blocks 4 and 5 Johnson & Moore's Addition to the Village of Grafton to West Street in said village; thence north on West Street to the north line of said Section 24; thence northeast on private right-of-way through the E $\frac{1}{2}$  of Section 13, all in Town 10 north, Range 21 east; thence northeast through the NW $\frac{1}{4}$  of Section 18, Section 7, the SW $\frac{1}{4}$  of Section 6, the W $\frac{1}{2}$  and the NE $\frac{1}{4}$  of Section 5, all in Township 10 north, Range 22 east; thence northeast through the S $\frac{1}{2}$  of Section 31, the W $\frac{1}{2}$  and the NE $\frac{1}{4}$  of Section 32, Blocks "A", "B", 3, 4, 5, and 7 of Central Plat in the City of Port Washington, and the subdivision of the SE $\frac{1}{4}$  of Section 29; thence east through the subdivision of the W $\frac{1}{2}$  of the SW $\frac{1}{4}$  of Section 28; thence northeasterly through Blocks 33 and 34, Original Plat of the City of Port Washington to Grand Avenue, all in Township 11 north, Range 22 east; thence east on Grand Avenue to Block 26, thence northeast through said Block 26, vacated Main Street, Blocks 17 and 16, vacated Washington Street, and Blocks 13 and 2, all in the Original Plat of the City of Port Washington; thence northwest through Block 7 of Northeast Addition to the City of Port Washington; thence northeast through Block 14, Kane's Addition, and unplatted land in the NE $\frac{1}{4}$  of Section 28; thence northwest through the E $\frac{1}{2}$  of Section 21, the E $\frac{1}{2}$  of Section 16, the E $\frac{1}{2}$  of Section 9, and the E $\frac{1}{2}$  of Section 4, all in Township 11 north, Range 22 east; thence northeasterly through the SE $\frac{1}{4}$  of Section 33; thence east of and adjacent to the railway right-of-way of the Chicago & Northwestern Railway Company northeast through the NE $\frac{1}{4}$  of Section 33, the SE $\frac{1}{4}$  of Section 28, the W $\frac{1}{2}$  of Section 27, the W $\frac{1}{2}$  of Section 22, the SW $\frac{1}{4}$  and the N $\frac{1}{2}$  of Section 15, the E $\frac{1}{2}$  of Section 10, the SE $\frac{1}{4}$  of Section 3, and the W $\frac{1}{2}$  of Section 2, all in Township 12 north, Range 22 east, to the south line of Sheboygan County; thence northeast in Sheboygan County through Section 35, the E $\frac{1}{2}$  of Section 26, the W $\frac{1}{2}$  of Section 25, the W $\frac{1}{2}$  of Section 24, the SW $\frac{1}{4}$  and the N $\frac{1}{2}$  of Section 13, and the E $\frac{1}{2}$  of Section 12, all in Township 13 north, Range 22 east; thence northeast through the W $\frac{1}{2}$  of Section 31, the SW $\frac{1}{4}$  and the E $\frac{1}{2}$  of Section 30, the E $\frac{1}{2}$  of Section 19, the NW $\frac{1}{4}$  of Section 20, the W $\frac{1}{2}$  of Section 17, the SW $\frac{1}{4}$  and the E $\frac{1}{2}$  of Section 8, the SE $\frac{1}{4}$  of Section 5, the W $\frac{1}{2}$  and the NE $\frac{1}{4}$  of Section 4, all in Township 14 north, Range 23 east, and the SE $\frac{1}{4}$  of Section 33, Township 15 north, Range 23 east; thence east through the NW $\frac{1}{4}$  of Section 3, Township 14 north, Range 23 east and the S $\frac{1}{2}$  of Section 34, Town-

ship 15 north, Range 23 east; thence east and north in the SW $\frac{1}{4}$  of Section 35, Township 15 north, Range 23 east to South 8th Street in the City of Sheboygan;

Excepting, however, the rail lines and appurtenances thereto and miscellaneous transportation structures located on said right-of-way, part of which lines extending to the north limits of the City of Port Washington, and appurtenances thereto and transportation structures, are owned by The Milwaukee Electric Railway & Transport Company, and part of which lines extending from such point into the City of Sheboygan, and appurtenances thereto and part of such transportation structures, are owned by the Company but are excepted from the lien of this Indenture.

82. *Milwaukee-Racine-Kenosha Right-of-Way*: The rights and interests of the Company in the strip of land used for transmission line and railway purposes commencing on South Howell Avenue, in the City of Milwaukee, Milwaukee County, Wisconsin, at Lot 13, Block 1, Van Beck's Subdivision; thence southeasterly through said Block 1, Block 5 of Thomas Cabeen's Subdivision, Blocks 5 and 6 of Bradley's Subdivision, the SW $\frac{1}{4}$  of Section 16 and the NW $\frac{1}{4}$  of Section 21, all in Township 6 north, Range 22 east, to the Lakeside Belt Line right-of-way of the Company; thence southeasterly on said right-of-way into the NE $\frac{1}{4}$  of said Section 21; thence leaving said right-of-way, running southeasterly through said NE $\frac{1}{4}$  of Section 21 and the NW $\frac{1}{4}$  of Section 22 into the SW $\frac{1}{4}$  of said Section 22; thence southwesterly through the SW $\frac{1}{4}$  of Section 22, the W $\frac{1}{2}$  of Section 27, and the W $\frac{1}{2}$  of Section 34, all in Township 6 north, Range 22 east; thence continuing southwesterly through the W $\frac{1}{2}$  of Section 3, the W $\frac{1}{2}$  of Section 10, and the SE $\frac{1}{4}$  of Section 9; thence southeasterly through the NE $\frac{1}{4}$  of Section 16, the W $\frac{1}{2}$  of Section 15, the N $\frac{1}{2}$  of Section 22, the W $\frac{1}{2}$  and the SE $\frac{1}{4}$  of Section 23, the NE $\frac{1}{4}$  of Section 26, the W $\frac{1}{2}$  of Section 25, the N $\frac{1}{2}$  and the SE $\frac{1}{4}$  of Section 36, all in Township 5 north, Range 22 east to the north line of Racine County; thence southeasterly in the County of Racine through the E $\frac{1}{2}$  of Section 1, Township 4 north, Range 22 east, the SW $\frac{1}{4}$  of Section 6, the W $\frac{1}{2}$  of Section 7, the N $\frac{1}{2}$  and the SE $\frac{1}{4}$  of Section 18, the NE $\frac{1}{4}$  of Section 19, the W $\frac{1}{2}$  of Section 20, the W $\frac{1}{2}$  and the SE $\frac{1}{4}$  of Section 29, the E $\frac{1}{2}$  of Section 32, and Blocks 2 and 3 of Pfleger's Subdivision, all in the township and range aforesaid, Blocks 1, 2, 3, 4, and 5 of Wolff's Third Addition and the NE $\frac{1}{4}$  of Section 5 in Township 3 north, Range 23 east to Douglas Avenue in the City of Racine; thence on Douglas Avenue, State Street, and Main Street, through Block 3 of School Section to Wisconsin Street, south on Wisconsin Street to 17th Street, west on 17th Street to Mead Street, south on Mead Street to 24th Street; thence southwesterly on private right-of-way through the SW $\frac{1}{4}$  of Section 21, the NE $\frac{1}{4}$  of Section 28 to State Trunk Highway 42 in the NE $\frac{1}{4}$  of

Section 29; thence southwesterly, east of and adjoining the railway right-of-way of the Chicago & Northwestern Railway Company, through the E $\frac{1}{2}$  of said Section 29, and the E $\frac{1}{2}$  and the SW $\frac{1}{4}$  of Section 32, all in Township 3 north, Range 23 east; thence continuing southwesterly adjoining said Chicago & Northwestern Railway Company right-of-way through Sections 5, 8, 7, 18, 19, and 30, all in Township 2 north, Range 23 east to the beginning of lands owned by The Milwaukee Electric Railway & Transport Company in the south line of 40th Street extended;

Excepting, however, the rail lines and appurtenances thereto and miscellaneous transportation structures located on said right-of-way.

83. *Brookdale Switching Station to Blue Mound Switching Station Right-of-Way:* The steel tower transmission line right-of-way commencing at the Brookdale Switching Station in the SE $\frac{1}{4}$  of Section 20, Township 6 north, Range 21 east and running thence west into the SE $\frac{1}{4}$  of Section 19, Township 6 north, Range 21 east and thence north through the E $\frac{1}{2}$  of Sections 19, 18, 7 and 6 in said Township 6 north, Range 21 east; thence continuing north in the E $\frac{1}{2}$  of Section 31, Township 7 north, Range 21 east to the Blue Mound Switching Station.

84. *Town of Grafton Tower Line Right-of-Way:* The steel tower transmission line right-of-way north of and adjacent to the south line of the NE $\frac{1}{4}$  of Section 13, Township 10 north, Range 21 east extending from the transmission line and railway right-of-way of the Company to the railway right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company.

85. *Granville Substation to Port Washington Power Plant Right-of-Way:* A strip of land 64 feet wide lying north of and adjacent to the transmission line and railway right-of-way of the Company in the NE $\frac{1}{4}$  of Section 13, Township 10 north, Range 21 east and extending from the south line of said NE $\frac{1}{4}$  section to the Milwaukee River;

Also a strip of land 64 feet wide at the west end and 7.79 feet wide at the east end, lying north of and adjacent to said right-of-way of the Company and extending from the Milwaukee River to the east line of said Section 13;

Also a triangular strip of land 7.79 feet wide at the west line of NW $\frac{1}{4}$  of Section 18, Township 10 north, Range 22 east lying north of and adjacent to the right-of-way of the Company;

Also a strip of land lying south of and adjacent to the transmission line and railway right-of-way of the Company in the NW $\frac{1}{4}$  of the NW $\frac{1}{4}$  of Section 18, Township 10 north, Range 22 east, 57 feet in width extending southeasterly from the north line of said Section 18, 1041.8 feet and thence to a point which is 154.5 feet northeast of the west line of said section measured on said south right-of-way line;

## Properties Mortgaged.

Also a strip of land 64 feet wide south of and adjacent to said right-of-way extending from the south line of Section 7, Township 10 north, Range 22 east northeasterly through said Section 7 and Section 6, township and range aforesaid, to the north line of lands of Fred Hoppe in Section 5, Township 5 north, Range 22 east.

### SECOND.

Also all power houses, plants, buildings and other structures, dams, dam sites, substations and heating plants, together with all and singular the electric, heating and mechanical appliances appurtenant thereto of every nature whatsoever, including the Lakeside Belt Line of electric railway, located on the right-of-way hereinbefore described in paragraph 76 of the descriptions of parcels of real estate, and the Industrial Spur Track extending from the Port Washington Power Plant to the connection with the Milwaukee-Port Washington Interurban Line of The Milwaukee Electric Railway & Transport Company, now owned by the Company or, subject to the provisions of Article XII, which it may hereafter acquire, including all and singular the machinery, engines, boilers, furnaces, generators, dynamos, turbines and motors, and all and every character of mechanical appliance for generating or producing electricity or steam for light, heat, cold, power or other purposes.

### THIRD.

Also all transmission and distribution systems used for the transmission and distribution of electricity and steam for light, heat, cold or power or any other purpose whatsoever, whether underground or overhead, surface or otherwise, now owned by the Company or, subject to the provisions of Article XII, which it may hereafter acquire, including all poles, towers, posts, wires, cables, conduits, manholes, mains, tubes, drains, furnaces, switchboards, transformers, conductors, insulators, supports, meters, lamps, fuses, junction boxes and other electric and steam fixtures and apparatus; the distribution systems and transmission lines

now owned by the Company being more particularly described as follows (but reference to particular distribution systems and transmission lines shall not be deemed to exclude any others not mentioned) :

### ELECTRIC DISTRIBUTION SYSTEMS

The electric distribution systems located in and adjacent to the following communities in the State of Wisconsin :

In Milwaukee County: The Cities of Milwaukee, Cudahy, South Milwaukee, Wauwatosa, and West Allis; the Villages of Fox Point, Shorewood, West Milwaukee, Whitefish Bay, and a portion of the Village of River Hills; the Towns of Franklin, Greenfield, Lake, Milwaukee, Oak Creek, and Wauwatosa, and a portion of the Town of Granville.

In Ozaukee County: The City of Port Washington, the Town of Port Washington, and a portion of the Town of Mequon.

In Racine County: The City of Racine; the Villages of Rochester and Waterford; the Towns of Rochester and Waterford, and a portion of each of the Towns of Caledonia, Dover, Mount Pleasant, Norway, and Raymond.

In Waukesha County: The Villages of Big Bend, Butler, Chenequa, Dousman, Hartland, Lac La Belle, Mukwonago, North Prairie, Pewaukee, and Wales; the Towns of Brookfield, Delafield, Genesee, Muskego, New Berlin, Ottawa, and Vernon, and a portion of each of the Towns of Lisbon, Menomonee, Merton, Mukwonago, Oconomowoc, Pewaukee, Summit, and Waukesha.

In Walworth County: The Village of East Troy, the Town of East Troy, and a portion of each of the Towns of Spring Prairie and Troy.

In Jefferson County: A portion of each of the Towns of Concord, Ixonia, and Sullivan.

In Dodge County: A portion of the Town of Lebanon.

### STEAM HEATING DISTRIBUTION SYSTEM

The steam heating distribution system located in the downtown business district of the City of Milwaukee, Wisconsin.

### ELECTRIC TRANSMISSION LINES

The following electric transmission lines located in the State of Wisconsin :

## Properties Mortgaged.

Line 1: A 132,000 volt, single circuit, steel tower, electric transmission line, approximately 50.35 miles in length, extending from a step-up substation near Lakeside Power Plant, St. Francis, Wisconsin, westerly through the Towns of Lake and Greenfield, in Milwaukee County; thence southwesterly through the Town of Franklin in Milwaukee County, the Towns of Muskego, Vernon, Mukwonago and Village of Mukwonago in Waukesha County and the Town of East Troy in Walworth County; thence westerly along the northern boundary of Walworth County to the northeast corner of the Town of Whitewater in Walworth County; thence southwesterly through the Town of Whitewater to a substation of Wisconsin Gas & Electric Company in the City of Whitewater, Walworth County; thence on wood pole supports for approximately 7.58 miles southwesterly through the Town of Whitewater in Walworth County and the Towns of Lima and Johnstown in Rock County to the NE $\frac{1}{4}$  of Section 4, Township 3 north, Range 14 east, Walworth County.

Line 2: A 132,000 volt, double circuit, steel tower, electric transmission line, approximately 27.91 miles in length, extending from a step-up substation near Lakeside Power Plant, St. Francis, Wisconsin, southerly through the Towns of Lake and Oak Creek in Milwaukee County, the Towns of Caledonia and Mount Pleasant in Racine County and the Town of Somers in Kenosha County to the Albers Street substation of Wisconsin Gas & Electric Company, located north of Albers Street and west of the Chicago North Shore & Milwaukee Railroad Company right-of-way in the City of Kenosha, Kenosha County; thence single circuit, westerly for approximately 1.64 miles in length through the Town of Somers, Kenosha County.

Line 3: A 132,000 volt, double circuit, steel tower, electric transmission line, approximately 2.475 miles in length, extending from a point of junction with line 2 in the SE $\frac{1}{4}$  of Section 23, Town of Mount Pleasant, Racine County, easterly to the 19th Street Substation, City of Racine.

Line 4: A 132,000 volt, double circuit, steel tower, electric transmission line, approximately 48.00 miles in length, extending from a step-up substation near Lakeside Power Plant, westerly through the Town of Lake, westerly and northerly through the Town of Greenfield and northerly through the Towns of Wauwatosa and Granville all in Milwaukee County; thence northerly through the Town of Mequon, a portion of the Towns of Cedarburg, Grafton and Saukville in Ozaukee County to the Saukville Switching Station in the SW $\frac{1}{4}$  of Section 35, Town of Saukville, thence easterly to the step-up substation near the Port Washington Power Plant in the City of Port Washington, Ozaukee County.

Line 5: A 132,000 volt, double circuit, steel tower, electric transmission line, approximately 4.27 miles in length, extending from a point of

junction with line 4 at the 96th Street Switching Station in the NE $\frac{1}{4}$  of Section 32, Town of Wauwatosa, Milwaukee County, easterly to the 28th Street Substation in the City of Milwaukee.

Line 6: A 132,000 volt, single circuit, steel tower, electric transmission line, approximately 62.61 miles in length, extending northerly from the Saukville Switching Station, in the SW $\frac{1}{4}$  of Section 35, Town of Saukville, through the Towns of Fredonia and Saukville in Ozaukee County, the Towns of Sherman and Lyndon, the Village of Waldo, Towns of Plymouth, Rhine and Russell in Sheboygan County and the Towns of New Holstein, Charlestown and Rantoul in Calumet County to a point of junction with line 7 in the NW $\frac{1}{4}$  of Section 8, Town of Brillion, Calumet County.

Line 7: A 132,000 volt, single circuit, electric transmission line on double circuit steel towers jointly owned with Wisconsin Michigan Power Company, approximately 13.52 miles in length, extending from a point of junction with line 6 in the NW $\frac{1}{4}$  of Section 8, Town of Brillion, westerly through the Towns of Brillion, Woodville, and Harrison in Calumet County to the Appleton City Limits step-down substation of Wisconsin Michigan Power Company, located in the SW $\frac{1}{4}$  of Section 6 in the Town of Harrison, Calumet County.

Line 8: A double circuit, 66,000 volt, steel tower, electric transmission line approximately 42.10 miles in length, one circuit presently operating at 66,000 volts, 25 cycle, and one circuit presently operating at 26,400 volts, 60 cycle, extending from the West Allis Substation, City of West Allis, Milwaukee County, northwesterly through the Town of Greenfield in Milwaukee County; Towns of New Berlin and Waukesha, City of Waukesha, Towns of Pewaukee, Delafield, Summit, Oconomowoc and the City of Oconomowoc, all in Waukesha County and the Towns of Ixonia and Watertown to the Watertown Substation in the City of Watertown, all in Jefferson County.

Line 9: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 27.58 miles in length, extending from the West Allis Substation, City of West Allis, southwesterly through the Towns of Greenfield and Franklin in Milwaukee County, the Town of Muskego in Waukesha County and the Towns of Norway, Waterford, Rochester and the Villages of Waterford and Rochester in Racine County to the Burlington Substation, City of Burlington.

Line 9—Section A: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 2.46 miles in length, extending from a point of junction with line 9 at the Boulder Road, easterly to a customer's



substation located east of 68th Street and north of Grange Avenue, all in the Town of Greenfield, Milwaukee County.

Line 9—Section B: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 20.48 miles in length, extending from a point of junction with line 9 in the SW $\frac{1}{4}$  of Section 7, Town of Franklin, Milwaukee County, southwesterly through the Town of Franklin in Milwaukee County, the Towns of Muskego, Vernon and Mukwonago and the Village of Mukwonago in Waukesha County and the Town of East Troy in Walworth County, to the East Troy Substation in the Village of East Troy.

Line 9—Section C: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 2.64 miles in length, extending from a point of junction with line 9—Section B, in the SE $\frac{1}{4}$  of Section 18 northerly to a point of connection with a customer's private line the NE $\frac{1}{4}$  of Section 5, all in the Town of Muskego, Waukesha County.

Line 10: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 13.13 miles in length, extending from the East Troy Substation located in the Village of East Troy, Walworth County, southeasterly through the Towns of East Troy and Spring Prairie in Walworth County and the Towns of Rochester and Burlington in Racine County, to the Burlington Substation, City of Burlington, Racine County.

Line 11: A 26,400 volt, electric transmission line, approximately 12.47 miles in length, of which approximately 2.53 miles is a single circuit on wood poles, approximately 9.81 miles is a double circuit on wood poles and approximately .13 miles is double circuit underground, extending from the West Allis Substation in the City of West Allis, westerly through the Town of Greenfield in Milwaukee County, and the Town of New Berlin in Waukesha County, to the east limits of the City of Waukesha in the SE $\frac{1}{4}$  of Section 2, Town of Waukesha, where connection is made to a transmission line of Wisconsin Gas & Electric Company; also a branch line extending from the SE $\frac{1}{4}$  of Section 6, Town of New Berlin, southerly to a customer's substation in the NW $\frac{1}{4}$  of Section 8, Town of New Berlin, Waukesha County.

Line 12: A 26,400 volt, wood pole, electric transmission line, approximately 15.82 miles in length, of which approximately 1.17 miles is double circuit and approximately 14.65 miles is single circuit, extending from the step-up substation near Lakeside Power Plant, westerly through the Towns of Lake and Greenfield to the Howard Avenue Substation in the Town of Greenfield; thence northerly to a point of connection with line 11 in the NE $\frac{1}{4}$  of Section 5, Township 6 north, Range 21 east; thence northerly and easterly along the private right-of-way of the Milwaukee Rapid Tran-

sit Line to South 70th Street; thence southerly to a customer's substation in the City of West Allis, all in Milwaukee County.

Line 13: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 22.79 miles in length, of which approximately 20.54 miles is on wood poles and 2.25 miles is underground, extending from a point of connection on line 12 at S. Pennsylvania and E. Norwich Street in the Town of Lake, Milwaukee County, southerly through the Towns of Lake and Oak Creek to a substation in the City of South Milwaukee in the Town of Oak Creek, Milwaukee County; thence southerly through the Towns of Caledonia and Mount Pleasant to the Lake Avenue Substation in the City of Racine, Racine County, together with branch lines in the Town of Caledonia leading to a customer's substation in the NE $\frac{1}{4}$  of Section 32 and to a point of connection to a transmission line of Wisconsin Gas & Electric Company, in the NW $\frac{1}{4}$  of Section 14.

Line 14: A 26,400 volt, single circuit, electric transmission line, approximately 11.09 miles in length, of which approximately 10.29 miles is on wood poles and approximately .80 miles is underground, extending from the step-up substation near Lakeside Power Plant, northwesterly through the Towns of Lake and Greenfield, and the Cities of Milwaukee and West Allis, to the West Allis Substation, City of West Allis, all in Milwaukee County.

Line 15: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 10.28 miles in length, extending from the Village of Cedar Grove in the Town of Holland, northerly through the Town of Holland, the Village of Oostburg in the Town of Holland and the Town of Wilson to a railway substation at Weedens which is located in the SE $\frac{1}{4}$  of Section 5, Town of Wilson, all in Sheboygan County.

Line 16: A 26,400 volt, double circuit, wood pole, electric transmission line, approximately 2.18 miles in length, extending from the Fairmount Avenue Substation, located at North 35th Street and West Fairmount Avenue, City of Milwaukee, northwesterly in the City of Milwaukee and the Town of Granville, to a point of connection with a transmission line of Wisconsin Gas & Electric Company, which connection is located in the NE $\frac{1}{4}$  of Section 26, Town of Granville.

Line 17: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately .09 miles in length, extending from a point of connection with a transmission line of Wisconsin Gas & Electric Company, located at State Trunk Highway 74 and the Milwaukee Northern Electric Railway Line right-of-way to Brown Deer Substation, all located in the Town of Granville, Milwaukee County.

## Properties Mortgaged.

Line 18: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 34.60 miles in length, extending from Watertown Substation in the City of Watertown, easterly through the Towns of Watertown and Ixonia in Jefferson County; the Town of Oconomowoc, City of Oconomowoc, Village of Delafield and the Towns of Summit, Delafield and Pewaukee in Waukesha County to the NW $\frac{1}{4}$  of Section 35, Town of Pewaukee, Waukesha County, where connection is made with a transmission line of Wisconsin Gas & Electric Company; also a branch line to the Oconomowoc Substation in the City of Oconomowoc.

Line 19: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 8.75 miles in length, extending from the Genesee Substation in the NW $\frac{1}{4}$  of Section 22, northeasterly through the Towns of Genesee, Delafield and Pewaukee to a point of connection with line 18 located in the SW $\frac{1}{4}$  of Section 28, Town of Pewaukee, all in Waukesha County.

Line 20: A 26,400 volt, wood pole, electric transmission line, approximately 9.59 miles in length, operated as single circuit but carrying 6 wires for 6.13 miles, extending from 19th Street Substation in the City of Racine, through the Town of Mount Pleasant, Racine County, and the Town of Sommers, Kenosha County, to the City of Kenosha, where connection is made, at 40th Street east of the Chicago & Northwestern Railroad, with a transmission line of Wisconsin Gas & Electric Company.

Line 21: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 28.43 miles in length, extending from 19th Street Substation in the City of Racine westerly through the Town of Mount Pleasant, the Village of Sturtevant and the Towns of Yorkville, Dover, and Burlington, all in Racine County, to the Burlington Substation, City of Burlington.

Line 22: A 26,400 volt, single circuit, electric transmission line, approximately 23.86 miles in length, of which approximately 23.84 miles is on wood poles and approximately .02 mile is underground, extending from the Granville Substation in the Town of Granville, northeasterly through the Town of Granville in Milwaukee County, the Towns of Mequon, Cedarburg, Grafton and Port Washington, and Villages of Thiensville, Cedarburg, and Grafton in Ozaukee County, to the Port Washington Substation, City of Port Washington; together with a branch line to a customer's substation in the SE $\frac{1}{4}$  of Section 10, Town of Mequon, Ozaukee County.

Line 23: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 3.81 miles in length, extending from the North Lake Substation in the NE $\frac{1}{4}$  of Section 16, Town of Merton, through the Town of Merton to the west limits of the Village of Merton, in the NE $\frac{1}{4}$  of Section 24, Town of Merton, where connection is made with a transmission line of Wisconsin Gas & Electric Company; together with a branch line to the gravel pits at North Lake, all in Waukesha County.

Line 24: A 26,400 volt, single circuit, wood pole, electric transmission line, approximately 2.13 miles in length, extending from the Granville Substation in the Town of Granville, southeasterly to a point of connection with line 16, which point of connection is located in the NE $\frac{1}{4}$  of Section 26, Town of Granville, Milwaukee County.

Line 25: A 26,400 volt, single circuit, wood pole, electric transmission line approximately 4.74 miles in length, extending from Granville Substation in the Town of Granville, southeasterly to the Fairmount Avenue Substation, in the City of Milwaukee, all in Milwaukee County.

Line 26: A 26,400 volt, single circuit, electric transmission line, approximately 20.53 miles in length, of which approximately 20.49 miles is on wood poles and approximately .04 mile is underground, extending from the Granville Substation in the Town of Granville, southwesterly through the Town of Granville in Milwaukee County; the Town of Brookfield and a part of the Town of Pewaukee in Waukesha County, to the SE $\frac{1}{4}$  of Section 26, within the City of Waukesha, where connection is made to a transmission line of Wisconsin Gas & Electric Company; also branch lines leading to a customer's substation in the SW $\frac{1}{4}$  of Section 31, Town of Granville, Milwaukee County, to the County Line Substation in the NE $\frac{1}{4}$  of Section 13 of the Town of Brookfield, Waukesha County, and to a customer's substation in the NE $\frac{1}{4}$  of Section 18, in the Town of Brookfield, Waukesha County.

#### FOURTH.

Also all franchises and all permits, ordinances, easements, privileges, immunities and licenses, all rights to construct, maintain and operate overhead, surface and underground systems for the distribution and transmission of electricity or steam for the supply to itself or others of light, heat, cold or power, all rights-of-way, all waters, water rights and flowage rights and all grants

**Properties Mortgaged.**

42

and consents, now owned by the Company or, subject to the provisions of Article XII, which it may hereafter acquire.

ALSO all inventions, patent rights and licenses of every kind now owned by the Company or, subject to the provisions of Article XII, which it may hereafter acquire.

**FIFTH.**

ALSO, subject to the provisions of Article XII, all other property, real, personal and mixed (except as herein expressly excepted) of every nature and kind and wheresoever situated now or hereafter possessed by or belonging to the Company, or to which it is now, or may at any time hereafter be, in any manner entitled at law or in equity.

**SIXTH.**

\$10,000,000 principal amount of 4% First Mortgage Bonds of The Milwaukee Electric Railway & Transport Company (a corporation organized under the laws of the State of Wisconsin) issued under a Mortgage and Deed of Trust dated October 22, 1938 from said company to First Wisconsin Trust Company, as Trustee, constituting the entire principal amount of Bonds which may be issued under said mortgage and deed of trust, which, upon the happening of an event of default may be sold only in compliance with Section 3 of Article IX.

**SEVENTH.**

ALSO any and all property of any kind or description which may from time to time after the date of this Indenture by delivery or by writing of any kind be conveyed, mortgaged, pledged, assigned or transferred to the Trustee by the Company or by any person, copartnership or corporation, with the consent of the Company or otherwise, and accepted by the Trustee, to be held as part of the mortgaged property; and the Trustee is hereby authorized to accept and receive any such property and any such con-

veyance, mortgage, pledge, assignment and transfer, as and for additional security hereunder, and to hold and apply any and all such property subject to and in accordance with the terms and provisions upon which such conveyance, mortgage, pledge, assignment or transfer shall be made.

EIGHTH.

TOGETHER with all and singular the tenements, hereditaments and appurtenances belonging or in anywise appertaining to the aforesaid property or any part thereof; with the reversion and reversions, remainder and remainders, tolls, rents, revenues, issues, income, products and profits thereof, and all the estate, right, title, interest and claim whatsoever, at law as well as in equity, which the Company now has or may hereafter acquire in and to the aforesaid property and franchises and every part and parcel thereof.

EXPRESSLY EXCEPTING AND EXCLUDING, HOWEVER, from this Indenture and from the lien and operation hereof:

(a) All bills, notes and accounts receivable, cash on hand or in bank, contracts, operating agreements and choses in action, not specifically assigned to or pledged with the Trustee or required to be, and existing leases in which the Company is lessor and leases hereafter made of portions of the mortgaged property in which the Company is lessor;

(b) All shares of stock and other certificates or evidences of interest therein, and all bonds, notes and other evidences of indebtedness or certificates of interest therein and other securities now owned or hereafter acquired or possessed by the Company (except securities or obligations pledged or required to be pledged by the terms of this Indenture);

(c) All materials, merchandise, appliances and supplies acquired for the purposes of resale or leasing to its customers in the ordinary course and conduct of the business of the

**Excepted Property.**

Company, and all materials and supplies held for consumption in operation or held in advance of use thereof for fixed capital purposes;

(d) All electric energy and other materials or products generated, manufactured, produced or purchased by the Company for sale, distribution or use in the ordinary course and conduct of its business; and

(e) All rails, track, and equipment heretofore used by the Company in the transportation business previously conducted by it and not specifically described in the granting clauses hereof and not used or useful for the business of generating, manufacturing, transmitting, distributing or supplying electricity or steam for light, heat, cold, power or other purposes.

(f) The following described parcels of real estate:

1. *Aspel Tract*: Lands located in Milwaukee County, Wisconsin, described in Volume 962 of Deeds, on Page 508, Document numbered 1262538, said Milwaukee Registry.

2. *Hales Corners-Highway 100 Tract*: A parcel of land in the SE  $\frac{1}{4}$  of Section 31, Township 6 north, Range 21 east, located in Milwaukee County, Wisconsin, described as follows, to-wit: a strip of land 55 feet wide adjoining and parallel to the east line of said one-quarter section and extending from the north line of said one-quarter section to the center line of North Cape Road.

Also that part of the SW  $\frac{1}{4}$  of Section 32, Township 6 north, Range 21 east, located in Milwaukee County, Wisconsin, described as follows, to-wit: commencing at the northwest corner of said one-quarter section; running thence east on the north line of said one-quarter section 15 feet to a point; thence south and parallel to the west line of said one-quarter section 263.25 feet to a point; thence west and parallel to said north line 15 feet to a point on the west line of said one-quarter section; thence north on said west line 263.25 feet to the beginning.

3. *Mead Street Car Station Tract*: All of Block 22, Lakeside Addition in the SW  $\frac{1}{4}$  of Section 21, Township 3 north, Range 23 east, located in Racine County, Wisconsin.

4. *New Butler Lots*: Lots 7 and 8, Block 48, Townsite of New Butler, in the NE  $\frac{1}{4}$  of Section 1, Township 7 north, Range 20 east, located in Waukesha County, Wisconsin.

5. *Jones Tract*: Lands located in Waukesha County, Wisconsin, described in Volume 179 of Deeds, on Page 281, Document numbered 125089, said Waukesha County Registry.

6. *Elon Fuller Tract*: Lands located in Waukesha County, Wisconsin, excepted and reserved in Volume 71 of Deeds, on Page 191, said Waukesha County Registry.

7. *Tobian-Rettig Lots*: Lots 5, 6, 7, and 8 in Block 6, Cole, Bailey & Co.'s Addition to Watertown, located in Jefferson County, Wisconsin.

8. *Novotny Tract*: That part of Out Lot 37 in the Seventh Ward of the City of Watertown, Jefferson County, Wisconsin, lying west of the right-of-way of the Company.

9. *Stahler Tract*: That part of the SE  $\frac{1}{4}$  of Section 22, Township 12 north, Range 19 east, located in Washington County, Wisconsin, described as follows, to-wit: a strip of land 66 feet wide east of and adjacent to the railway right-of-way of the Chicago & Northwestern Railway Company and extending from the south line of said quarter section to the west line of said quarter section.

10. *Reiland Tract*: That part of the N  $\frac{1}{2}$  of the NE  $\frac{1}{4}$  of Section 27, Township 12 north, Range 19 east, located in Washington County, Wisconsin, described as follows, to-wit: a strip of land 66 feet wide lying east of and adjacent to the railway right-of-way of the Chicago & Northwestern Railroad Company and extending from the south line of said N  $\frac{1}{2}$  of said quarter section to the north line of said Section 27.

AND FURTHER EXPRESSLY EXCEPTING AND EXCLUDING from this Indenture and from the lien and operation thereof, all property, permits and franchises of any other corporation of whatever character, shares of stock or securities whereof, or obligations secured by lien upon the properties and franchises whereof, may be now owned or hereafter acquired or possessed by the Company, notwithstanding the fact that the Company may own or hereafter acquire all or substantially all of the shares of stock or other securities issued by, or secured by lien upon property of, any such corporation, or that any such corporation may be incorporated or organized at the instance of or for the account of the Com-



**Excepted Property.**

pany, or that all or any part of the shares of stock or other securities of such corporation may be subjected to the lien hereof by the Company.

TO HAVE AND TO HOLD all said properties, real, personal and mixed, mortgaged, pledged and conveyed by the Company as aforesaid, or intended so to be, unto the Trustee and its successors and assigns forever;

SUBJECT, HOWEVER, to the exceptions and reservations and matters hereinabove recited, to existing leases other than leases which by their terms are subordinate to the lien of this Indenture, to existing liens upon rights-of-way for transmission or distribution line purposes, as hereinafter in Article I defined, and any extensions thereof, and subject to existing easements for streets, alleys, highways, rights-of-way and railroad purposes over, upon and across certain of the property hereinbefore described, and subject also to all the terms, conditions, agreements, covenants, exceptions and reservations expressed or provided in the deeds or other instruments respectively under and by virtue of which the Company now owns or may hereafter acquire any property subject to the lien hereof, and to undetermined liens and charges, if any, incidental to construction or other existing permitted liens as hereinafter defined in Article I;

IN TRUST, NEVERTHELESS, upon the terms and trusts herein set forth, for the equal and proportionate benefit and security of all present and future holders of the Bonds and coupons issued and to be issued hereunder, or any of them, without preference of any of said Bonds and coupons of any particular series over the Bonds and coupons of any other series, by reason of priority in the time of the issue, sale or negotiation thereof, or by reason of the purpose of issue or otherwise howsoever, except as otherwise provided in Section 2 of Article IV.

PROVIDED, HOWEVER, and these presents are upon the condition that if the Company, its successors or assigns, shall pay or cause

to be paid unto the holders of the Bonds the principal and interest (and premium, if any) to become due in respect thereof at the times and in the manner stipulated therein and herein, and shall keep, perform and observe all and singular the covenants and promises in the Bonds and coupons and in this Indenture expressed as to be kept, performed and observed by or on the part of the Company, then this Indenture and the estate and rights hereby granted shall cease, determine and be void, otherwise to remain in full force and effect;

AND IT IS HEREBY COVENANTED, DECLARED AND AGREED, by and between the parties hereto, that all the Bonds and coupons are to be issued, authenticated and delivered, and that all the trust estate is to be held and applied subject to the further covenants, conditions, uses and trusts hereinafter set forth; and the Company, for itself and its successors, does hereby covenant and agree to and with the Trustee and its successors in said trust, for the benefit of those who shall hold the Bonds and coupons, or any of them, as follows:

## ARTICLE I.

### DEFINITIONS.

The terms defined in this Article I shall, for all purposes of this Indenture and of all indentures supplemental hereto now or hereafter entered into in accordance with the provisions hereof, have the meanings herein specified, unless the context otherwise requires:

#### *Acquired plant or system:*

The term "acquired plant or system" shall mean a plant or system, including any property used in connection therewith, purchased or acquired by the Company after October 31, 1938 (but not constructed or erected by or for the Com-

Definitions.  
Article I.

pany) which prior to the purchase or acquisition thereof by the Company has been used or operated by others than the Company in the business of generating, manufacturing, transmitting, distributing or supplying electricity or steam for light, heat, cold, power, or other purposes.

*Additional Bonds:*

The term "additional Bonds" shall mean Bonds authorized hereunder of any series, duly authenticated and delivered pursuant to Sections 4, 5 or 6 of Article III.

*Appraiser:*

The term "appraiser" shall mean an individual or a co-partnership or a corporation engaged in the business of appraising property or competent to determine the value of the particular property in question, whether or not regularly or at intervals employed by the Company.

*Appraiser's certificate:*

The term "appraiser's certificate" shall mean a certificate signed and verified by an appraiser appointed by the Board and acceptable to the Trustee.

*Authorized newspaper:*

The term "authorized newspaper", when used in connection with the name of a particular city, shall mean a newspaper published at least once a day for at least six days (other than legal holidays) per calendar week, printed in the English language and published and of general circulation in the city in connection with which the term is so used.

Whenever successive publications in an authorized newspaper are required by any provision of the Indenture, such successive publications may be made in the same or in different authorized newspapers.

*Board:*

The term "Board of Directors" shall mean the Board of Directors of the Company; and the term "Board" shall mean either the Board of Directors or the Executive Committee of the Board of Directors.

*Bondable Property:*

The term "bondable property" shall mean all property owned by the Company on October 31, 1938, of the same nature as property hereinafter defined as property additions, and all property additions purchased, constructed or otherwise acquired by the Company after October 31, 1938.

*Bonded cost:*

The term "bonded cost" shall mean:

(a) with respect to any property owned by the Company on October 31, 1938, the gross amount at which such property was carried on the books of the Company at such date; and

(b) with respect to any particular property additions, the amount at which such property additions shall have been included in an engineer's certificate with respect to net bondable value of property additions, on the basis of the distribution made therein, or, if the distribution does not show the amount with respect to the particular property addition, the amount at which the signers of the certificate in which the bonded cost is used shall estimate that such property addition was included in such previous certificate.

*Bondholders:*

The terms "Bondholders" or "holders of the Bonds" or "holders" shall mean the bearers of any coupon Bonds, the ownership of which is not at the time registered as to princi-

pal, the registered owners of any coupon Bonds which are at the time duly registered as to principal and the registered owners of any registered Bonds without coupons.

Any reference to a particular percentage or proportion of the Bondholders, or to a particular percentage or proportion of the holders of Bonds of a particular series, shall mean the holders at the particular time of the specified percentage or proportion in aggregate principal amount of all Bonds then outstanding under this Indenture, or of all Bonds of the particular series then outstanding under this Indenture, as the case may be, exclusive of Bonds or of Bonds of the particular series, as the case may be, held by the Company, whether or not theretofore issued, and whether held in its treasury or, subject to Section 17 of Article IX, pledged to secure any indebtedness.

***Bonds:***

The term "Bond" or "Bonds" shall mean any Bond or all the Bonds, as the case may be, authenticated and delivered under this Indenture.

The term "outstanding under this Indenture" or "outstanding hereunder" or "outstanding", when used with reference to Bonds, shall mean as of any particular time all Bonds authenticated and delivered under this Indenture, except:

(a) Bonds canceled at or prior to the particular time,

(b) Bonds for the payment or redemption of which cash shall have theretofore been irrevocably deposited with the Trustee in trust (whether upon or prior to the maturity or the redemption date of such Bonds), provided that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been published as in Article V provided or provision satisfactory to the Trustee shall have been made for such publication, and

(c) Bonds in lieu of and in substitution for which other Bonds shall have been authenticated and delivered pursuant to Section 13 of Article II.

The term "issued" when used with respect to Bonds, shall mean sold or otherwise disposed of for value by the Company except by way of pledge unless the pledge shall have been foreclosed.

*Certified resolution:*

The term "certified resolution" shall mean a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company, under its corporate seal, to have been duly adopted by the Board and to be in full force and effect on the date of such certification.

*Company:*

The term "Company" shall mean the party of the first part hereto, Wisconsin Electric Power Company, and, subject to Article XII, shall also include its successors and assigns.

*Corporation:*

The term "corporation" shall also include voluntary associations, joint stock companies and business trusts.

*Cost to the Company:*

The term "cost to the Company", when used with respect to any particular property additions or any particular other property, shall be deemed to include:

(a) the fair value in cash of any shares of stock or other securities issued or delivered in payment, in whole or in part, for such property additions or other property at the time of the acquisition by the Company of such property additions or other property,

(b) the principal amount of any outstanding prior lien bonds secured by a lien upon such property addi-

Definitions.  
Article I.

tions or other property at the time of the acquisition by the Company of such property additions or other property, unless the principal amount of such prior lien bonds shall have theretofore been included in the cost of other property additions or other property subject to the same prior lien,

(c) the amount of cash (if any) paid by the Company therefor, or which the Company is obligated to pay therefor,

(d) the fair value, as stated in an engineer's certificate filed pursuant to Section 3(b) of Article VII, of any property transferred in payment, in whole or in part, for such property additions or other property, and

(e) with respect to any property additions constructed by or for the Company, such allowances or charges for interest, taxes, engineering, legal expenses, superintendence, insurance, casualties and other items during construction as the signers of a certificate of the nature required by Section 4(a) of Article III or Section 1(b) of Article VIII shall certify are properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters in force at the time of construction, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, and as, in the opinion of the signers of such certificate, are proper in respect of the particular property additions specified in said certificate.

The "cost to the Company" of any property additions consisting of acquired plants or systems shall be deemed to include the cost to the Company of any franchises or other rights or non-bondable property acquired simultaneously therewith for which no separate or distinct consideration shall have been paid or apportioned.

"Cost to another corporation" of any property of such other corporation shall be determined in a manner similar to the determination of "cost to the Company."

*Counsel:*

The term "counsel" shall mean counsel, who may be of counsel to the Company appointed by the Board, and acceptable to the Trustee.

*Coupons:*

The term "coupon" or "coupons" shall mean any interest coupon or all the interest coupons, as the case may be, appertaining to the Bonds.

*Engineer:*

The term "engineer" shall mean an individual or a co-partnership or a corporation qualified to pass upon engineering questions, whether or not employed by or in any way affiliated with the Company.

*Engineer's certificate:*

The term "engineer's certificate" shall mean a certificate signed and verified by the President or a Vice President of the Company and by an engineer appointed by the Board and acceptable to the Trustee.

*Event of default:*

The term "event of default" shall mean any event of default specified in Section 1 of Article IX, continued for the period of time, if any, therein designated.



*Fair value to the Company:*

The term "fair value to the Company", when used with respect to any particular property additions or any other particular property, shall mean the fair value thereof to the Company determined:

(a) in the case of property additions described in an engineer's certificate with respect to net bondable value of property additions filed with the Trustee, as of a date not more than ninety (90) days prior to the date of filing of the first such certificate in which such property additions are described,

(b) in the case of property additions or other property described in any other certificate filed with the Trustee, as of a date not more than ninety (90) days prior to the date of filing of such certificate, or

(c) in other cases as of a date not more than ninety (90) days prior to the particular time in question.

Any of the certificates described in Subdivisions (a) and (b) above shall be deemed to have been filed at the time when all of the documents, cash and securities required to be filed, paid, or delivered, for the granting of the application in connection with which such certificate is filed shall have been filed, paid or delivered, as required by this Indenture.

The "fair value" of any particular property additions or particular property subject to any lien shall be determined as if such property additions or other property were free of such lien.

The "fair value" of any property additions consisting of an acquired plant or system shall not include any amount for any franchises, contracts, operating agreements or other rights or non-bondable property acquired simultaneously therewith, even though no separate or distinct consideration shall have been paid for, or apportioned to, such franchises, contracts, operating agreements or other rights or property.

*Gross property additions:*

The term "gross property additions", as applied to any particular period, shall mean all of the property additions purchased, constructed or otherwise acquired by the Company during such period, including property additions purchased, constructed or otherwise acquired during such period, but retired during such period.

*Indenture:*

The term "Indenture" shall mean this instrument and all indentures supplemental hereto.

*Independent appraiser:*

The term "independent appraiser" shall mean an individual, copartnership or corporation engaged in the business of appraising property or securities or competent to determine the value of the particular property or securities in question and not regularly engaged in the service of the Company or any affiliated corporation and, in the case of an individual, not a director, officer or employee of the Company or of any affiliated corporation.

*Independent appraiser's certificate:*

The term "independent appraiser's certificate" shall mean a certificate signed and verified by an independent appraiser appointed by the Board and acceptable to the Trustee.

*Independent engineer:*

The term "independent engineer" shall mean an individual or a copartnership or corporation engaged in an engineering business and not regularly engaged in the service of the Company or of any affiliated corporation and, in the case of an individual, not a director, officer or employee of the Company or of any affiliated corporation.

Definitions.  
Article I.

*Independent engineer's certificate:*

The term "independent engineer's certificate" shall mean a certificate signed and verified by an independent engineer appointed by the Board and acceptable to the Trustee.

*Issued:*

The term "issued" shall, when used with respect to Bonds, have the meaning specified in the definition of Bonds, and, when used with respect to prior lien bonds, shall have the meaning specified in the definition of prior lien bonds.

*Judgment lien:*

The term "judgment lien" shall mean the lien of a judgment, existing at the particular time upon any of the mortgaged property, which is prior to the lien of this Indenture as security for the Bonds then outstanding or for any additional Bonds then applied for.

*Lien of the Indenture:*

The term "lien hereof" or "lien of the Indenture" or "lien of this Indenture" shall mean the lien created by these presents (including the after-acquired property clauses hereof), or created by any subsequent conveyance to the Trustee hereunder (whether made by the Company or any other corporation or any individual or copartnership) or otherwise created, effectively constituting any property a part of the security held by the Trustee for the benefit of the Bonds outstanding hereunder.

*Liens upon rights-of-way for transmission or distribution line purposes:*

The term "liens upon rights-of-way for transmission line or distribution line purposes" shall mean any mortgages, liens or other encumbrances created by others than the Company

and any renewal or extension of any such lien, mortgage or other encumbrance, which at the particular time in question, are liens upon the lands over which easements or rights-of-way for transmission or distribution line purposes are held, securing bonds or other indebtedness which have not been assumed or guaranteed by the Company or on which the Company does not customarily pay interest charges.

*Mortgaged property:*

The terms "mortgaged property" or "trust estate" shall mean as of any particular time the property which at said time is covered or intended to be covered by the lien of this Indenture. Moneys held by the Trustee in trust for the payment, at maturity or on a date fixed for redemption, of specific Bonds shall not be deemed to be part of the mortgaged property or trust estate.

*Net bondable value of property additions not subject to an unfunded prior lien:*

The term "net bondable value of property additions not subject to an unfunded prior lien" shall mean, at any particular time, the aggregate of the cost or, as to property additions which have not been retired, the fair value to the Company, if the fair value is less than cost, of all gross property additions not subject to an unfunded prior lien purchased, constructed or otherwise acquired by the Company, less:

(a) the excess, if any, of the bonded cost of all bondable property, which was not subject to an unfunded prior lien at the date of its release, theretofore released from the lien of this Indenture pursuant to Section 3 or Section 5 of Article VII, over the fair value to the Company of such property at the time of such release, as stated in an engineer's certificate filed with the Trustee pursuant to Section 3(b) of Article VII, or over the

Definitions.  
Article I.

proceeds of such property paid over to the Trustee or the trustee of any funded prior lien pursuant to Section 5 of Article VII, as the case may be;

(b) the bonded cost of all bondable property (other than property released from the lien of this Indenture pursuant to Section 3 or Section 5 of Article VII) which was not subject to an unfunded prior lien at the date of its retirement, theretofore (but since October 31, 1938) retired;

(c) in case such gross property additions shall include property additions theretofore subject to an unfunded prior lien, which shall prior to or simultaneously with the particular time become a funded prior lien,—the bonded cost of all property additions which were subject to such unfunded prior lien and which have been retired by the Company during the period between the date of its first acquisition of the property subject to such prior lien and the date such prior lien became a funded prior lien.

(d) the aggregate of:

(1) the amount of all cash in the trust estate which has been withdrawn pursuant to Section 1 of Article VIII on the basis of property additions not subject to an unfunded prior lien or pursuant to Section 4 of Article VIII;

(2) the amount of all cash received by the Trustee as release moneys which has been applied to any sinking fund payments pursuant to Section 5 of Article VIII;

(3) the amount by which all cash required to be deposited with the Trustee as part of the trust estate has been reduced on the basis of property additions not subject to an unfunded prior lien by simultaneous

compliance with Section 1 of Article VIII or has been reduced by simultaneous compliance with Section 4 of Article VIII; and

(4) the principal amount of Railway Company bonds which have been released from the lien of this Indenture pursuant to Section 6(b) of Article VII;

(e) ten-sevenths ( $\frac{10}{7}$ ths) of the amount of all cash theretofore withdrawn pursuant to Section 3(a) of Article VIII; and

(f) ten-sevenths ( $\frac{10}{7}$ ths) of the aggregate principal amount of additional Bonds theretofore authenticated and delivered upon the basis of property additions.

*Net bondable value of property additions subject to an unfunded prior lien:*

The term "net bondable value of property additions subject to an unfunded prior lien" shall mean the aggregate of the cost or, as to property additions which have not been retired, the fair value to the Company, if the fair value is less than cost, of all gross property additions subject to the unfunded prior lien or prior liens in question, purchased, constructed or otherwise acquired by the Company, less:

(a) the bonded cost of all bondable property, subject to such unfunded prior lien or prior liens, theretofore (but since the time of acquisition thereof by the Company) retired;

(b) the excess, if any, of the fair value at the time of release, as stated in an engineer's certificate filed with the Trustee pursuant to Section 3(b) of Article VII, or of the proceeds of property paid over to the Trustee or the trustee of such unfunded prior lien, pursuant to Section 5 of Article VII, as the case may be, of all bondable property, which was subject to such unfunded

Definitions.  
Article I.

prior lien or prior liens at the date of release, theretofore released from the lien of this Indenture, over the bonded cost thereof;

(c) Ten-sevenths ( $\frac{10}{7}$ ths) of the principal amount of prior lien bonds secured by such prior lien or prior liens issued by the Company as permitted by Section 16(a) (1) of Article IV; and

(d) Ten-sevenths ( $\frac{10}{7}$ ths) of the amount of cash deposited by the Company upon the issue of prior lien bonds secured by such prior lien or prior liens theretofore withdrawn on the basis of property additions.

*Net earnings of the Company available for interest and property retirement appropriations:*

The term "net earnings of the Company available for interest and property retirement appropriations" shall mean the net earnings of the Company ascertained as follows:

(a) The total operating revenues of the Company and the net non-operating revenues of the properties of the Company shall be ascertained.

(b) From the total, determined as provided in Subdivision (a), there shall be deducted (1) all operating expenses, including all salaries, rentals, insurance, license and franchise fees, expenditures for ordinary repairs and maintenance, taxes (other than income and excess or other profits taxes which are imposed on income after the deduction of interest charges) but excluding all depreciation or property retirement appropriations, all interest charges, and amortization of stock and debt discount and expense or premium, and (2) net non-operating losses of the properties of the Company, if any.

(c) The balance remaining after the deduction of the total amount computed pursuant to Subdivision (b) from the total amount computed pursuant to Subdivision

(a) shall constitute the "net earnings of the Company available for interest and property retirement appropriations".

(d) No income received or accrued by the Company from securities or other investments in other corporations and no profits or losses from the sale or abandonment of capital assets or diminution in value of securities or other investments shall be included in making such computations.

(e) In case the Company shall have acquired any acquired plant or system within or after the particular period for which the calculation of net earnings of the Company available for interest and property retirement appropriations is made, then, in computing the net earnings of the Company available for interest and property retirement appropriations there shall be included, to the extent that they may not have been otherwise included, the net earnings or net losses of such acquired plant or system for the whole of such period. The net earnings or net losses of such acquired plant or system for the period preceding such acquisition shall be ascertained and computed as provided in the foregoing Subdivisions of this definition as if such acquired plant or system had been owned by the Company during the whole of such period.

(f) In case the Company shall have obtained the release of any property pursuant to Section 3 of Article VII, of a fair value in excess of Five hundred thousand dollars as shown by the engineer's certificate required by said Section 3, or shall have obtained the release of any property pursuant to Section 5 of Article VII, the proceeds of which shall have exceeded Five hundred thousand dollars, within or after the particular period for which the calculation of net earnings of the Company available for interest and property retirement appropri-



Definitions.  
Article I.

ations is made, then, in computing the net earnings of the Company available for interest and property retirement appropriations, the net earnings or net losses of such property for the whole of such period shall be excluded to the extent practicable on the basis of actual earnings and expenses of such property or on the basis of such estimates of the earnings and expenses of such property as the signers of an officers' certificate filed with the Trustee pursuant to Section 3(b) of Article III or Section 16 of Article IV shall deem proper.

The terms "net earnings of property available for interest and property retirement appropriations", and "net earnings of another corporation available for interest and property retirement appropriations", when used with respect to any property or with respect to another corporation, shall mean the net earnings of such property or the net earnings of such other corporation, as the case may be, computed in the manner provided in this definition for the computation of net earnings of the Company available for interest and property retirement appropriations.

The net earnings available for interest and property retirement appropriations, whether of the Company or of some other corporation or of property, shall be determined in accordance with principles of sound accounting practice.

*Non-bondable property:*

The term "non-bondable property" shall mean any property other than bondable property, whether owned by the Company on October 31, 1938, or purchased, constructed or otherwise acquired by it after October 31, 1938.

*Officers' certificate:*

The term "officers' certificate" shall mean a certificate signed and verified by the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company.

*Opinion of counsel:*

The term "opinion of counsel" shall mean an opinion or opinions in writing signed by counsel.

*Outstanding:*

The term "outstanding", when used with respect to Bonds, shall, except as otherwise provided in Articles IX and XV, have the meaning specified in the definition of Bonds, and, when used with respect to prior lien bonds, shall have the meaning specified in the definition of prior lien bonds, and, when used with respect to any other indebtedness of the Company or another corporation, shall have a meaning similar to the meaning of outstanding when used with respect to prior lien bonds.

*Permitted liens:*

The term "permitted liens" shall mean:

(a) liens upon rights-of-way for transmission or distribution line purposes, provided that the Company has, in the opinion of counsel, power under eminent domain or similar statutes to condemn or acquire easements or rights-of-way sufficient for its purposes over the land covered by the rights-of-way in question or other lands adjacent thereto;

(b) undetermined liens and charges incidental to construction;

(c) the right reserved to, or vested in, any municipality or public authority by the terms of any right, power, franchise, grant, license, permit or by any provision of law, to purchase or recapture or to designate a purchaser of, any of the mortgaged property;

(d) the lien of taxes for the then current year;

(e) the lien of taxes and assessments not at the time due;  
and

Definitions.  
Article I.

(f) the lien of specified taxes and assessments already due but the validity of which is being contested at the time by the Company in good faith, unless thereby in the opinion of counsel or of the Trustee any of the mortgaged property may be lost or forfeited.

*Prior lien:*

The term "prior lien" shall mean a mortgage or other lien prior to the lien of this Indenture, existing at the particular time upon any of the mortgaged property, excepting judgment liens and permitted liens.

The term "funded prior lien" shall mean any prior lien under which, at the particular time, no prior lien bonds shall be outstanding, within the meaning of the definition of outstanding prior lien bonds contained in this Article I.

The term "unfunded prior lien" shall mean any prior lien other than a funded prior lien.

*Prior lien bonds:*

The term "prior lien bonds" shall mean bonds, obligations or indebtedness secured by a prior lien.

The term "funded prior lien bonds" shall mean prior lien bonds secured by a funded prior lien.

The term "outstanding prior lien bonds" shall mean, as of any particular time, all prior lien bonds authenticated and delivered by the trustee of the mortgage or other lien securing the same or, if there be no such trustee, all prior lien bonds theretofore made and delivered by the maker of such mortgage or other lien or by the Company, except:

- (a) prior lien bonds then or theretofore canceled,
- (b) prior lien bonds held in pledge hereunder,
- (c) prior lien bonds held by the trustee or other holder of the mortgage or other lien securing such prior lien bonds or other prior lien bonds under conditions such that no transfer of ownership or possession of such prior lien bonds by the trustee or other holder of such prior lien is permissible

thereunder except to the Trustee hereunder or to the trustee or other holder of the prior lien securing such prior lien bonds or other prior lien bonds for cancellation or to be held uncanceled under the terms of the prior lien securing such prior lien bonds or other prior lien bonds under like conditions, and

(d) prior lien bonds for the purchase, payment or redemption of which moneys in the necessary amount shall have been irrevocably deposited in trust with the Trustee hereunder or with the trustee or other holder of the mortgage or other lien securing such prior lien bonds or other prior lien bonds (whether upon or prior to maturity or the redemption date of such prior lien bonds), provided that, if any such prior lien bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall, according to an opinion of counsel furnished to the Trustee, have been published or otherwise given as required by the mortgage or other instrument securing the same or provision satisfactory to the Trustee shall have been made for such notice.

The term "issued", when used with respect to prior lien bonds, shall mean authenticated and delivered by the trustee of the mortgage or other lien securing such prior lien bonds, or, if there be no such trustee, made and delivered by the maker of the mortgage or other lien or by the Company.

*Property additions:*

The term "property additions" shall mean any new or additional property, real or personal (including separate and distinct units, plants, systems and properties), located within the State of Wisconsin, or located in any other State if such property is physically connected with any of the properties of the Company located in Wisconsin, either directly or through other property of the Company, and improvements, extensions or additions (including in these terms equipment and appliances installed as a part of the fixed property of the Company) to or about the plants or properties

Definitions.  
Article I.

of the Company purchased, constructed or otherwise acquired by the Company after October 31, 1938, and in every case used or useful for the business of generating, manufacturing, transmitting, distributing or supplying electricity or steam for light, heat, cold, power, or other purposes, and in every case properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters, in force at the time, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, or, if there are no such regulations, rules and orders, in the opinion of the signers of a certificate of the nature required by Section 4(a) of Article III or Section 1(b) of Article VIII.

"Property additions" as so defined, without limitation of the general import of such term, shall include:

(a) subject to Article XII, property acquired by the Company or by a successor corporation as a result of any consolidation or merger to which the Company or any successor corporation may be a party;

(b) permanent improvements, extensions or additions to or about the properties of the Company in the process of construction or partially completed, in so far as actually constructed or completed;

(c) property purchased, constructed or otherwise acquired to replace property retired;

(d) easements, rights-of-way and leases over private property for towers, poles, wires, conduits or mains, or for transmission line or distribution line purposes, and rights, permits or licenses to use or appropriate water, or to overflow the land of others by the erection of dams or otherwise, and transmission line or distribution line equipment or dams or other similar structures installed by the Company on any such land, provided that, in the opinion of counsel, such easements, rights-of-way and leasehold interests or such rights,

permits or licenses shall run for an unlimited or indeterminate or indefinite period of time, or for a period of time extending beyond the date of maturity of all Bonds then outstanding under this Indenture and all additional Bonds applied for at the particular time in question, or the Company has power under eminent domain or similar statutes to condemn and acquire such rights-of-way or rights-of-way adjacent thereto, or to acquire rights, permits, or licenses sufficient for its purposes to use or appropriate water or overflow said lands, as the case may be; and

(e) transmission line or distribution line equipment or dams or other similar structures located or constructed on, over or under public highways or other public property, provided that the Company shall, in the opinion of counsel, have the lawful right under permits or franchises granted by a governmental body having jurisdiction in the premises or by the law of the State in which such property is located to maintain and operate such equipment or structures for an unlimited, indeterminate or indefinite period of time or for the period, if any, specified in such permit or franchise or law and that the terms of such permit or franchise or law do not contain any provisions giving to any public authority the right to take over such equipment without the payment of fair consideration therefor.

"Property additions" as so defined shall not include:

(aa) good will or going concern value;

(bb) any contracts or operating agreements or franchises or governmental permits, granted or acquired, as such, separate and distinct from the property operated thereunder or in connection therewith or incident thereto;

(cc) any shares of stock or certificates or evidences of interest therein, or any bonds, notes or other evidences of indebtedness or certificates of interest therein or any other securities;

(dd) any materials, merchandise, appliances or supplies acquired for the purpose of resale or leasing to its customers

**Definitions.**  
**Article I.**

in the ordinary course and conduct of the business of the Company, or any materials or supplies held for consumption in operation or held in advance of use thereof for fixed capital purposes;

(ee) leasehold estates, rights-of-way, or easements, with respect to land owned by others and additions installed by the Company on leasehold estates, rights-of-way or easements, or under any permits or franchises granted by a governmental body, except as permitted by Subdivisions (d) and (e) of this definition; or

(ff) any gas properties or any transportation properties.

*Railway Company:*

The term "Railway Company" shall mean The Milwaukee Electric Railway & Transport Company, a Wisconsin corporation.

*Railway Company bonds:*

The term "Railway Company bonds" or "bonds of the Railway Company" shall mean all or any of the bonds outstanding under the Railway Company mortgage.

*Railway Company mortgage:*

The term "Railway Company mortgage" or "mortgage of the Railway Company" shall mean the Mortgage and Deed of Trust dated October 22, 1938, from The Milwaukee Electric Railway & Transport Company to First Wisconsin Trust Company, as Trustee, and all indentures supplemental thereto.

*Refundable Bonds:*

The term "refundable Bonds" shall mean, at any particular time, all Bonds which were theretofore authenticated and delivered under the provisions of this Indenture and theretofore paid at maturity or redeemed or purchased (otherwise than out of funds included in the trust estate) and surrendered to the Trustee, either canceled or uncanceled, or surrendered to the Trustee for conversion (if convertible), or

otherwise surrendered to the Trustee, except upon exchange for other Bonds pursuant to the provisions of Article II, and which were not theretofore made the basis for the authentication and delivery of additional Bonds or the withdrawal of cash included in the trust estate or the reduction of the amount of cash required to be paid into the trust estate under any provision of this Indenture, or paid or redeemed or purchased pursuant to, or used in anticipation of the requirements of, the provisions of any sinking or analogous fund established by any indenture supplemental hereto which does not permit the authentication and delivery of additional Bonds on the basis of Bonds, paid, redeemed, purchased or used for such sinking or analogous fund.

Bonds and coupons for the payment or redemption of which moneys shall have been irrevocably deposited in trust with the Trustee (whether at or prior to maturity or the redemption date of such Bonds) shall be deemed to have been paid and canceled within the meaning of this definition; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been published as in Article V provided or provision satisfactory to the Trustee shall have been made for such publication.

*Registered owner:*

The term "registered owner" shall mean the person or persons in whose name or names the particular registered Bond without coupons shall be registered, or the particular coupon Bond shall be registered as to principal, on the books of the Company kept for that purpose in accordance with the terms of this Indenture.

*Release moneys:*

The term "release moneys" shall mean moneys received by the Trustee:

- (a) upon the release of bondable property not subject to an unfunded prior lien, pursuant to Sections 3 or 5 of Article VII;



**Definitions.**  
**Article I.**

(b) upon the payment of principal of, or release of, any obligations deposited with the Trustee upon the release of any such property;

(c) upon the release of funded prior lien bonds pursuant to Section 4 of Article VII;

(d) on account of prior lien bonds, which are subject to withdrawal under Section 6(c) of Article VIII;

(e) upon the release of bonds of the Railway Company pursuant to Section 6(a) of Article VII, or upon the payment of principal of Railway Company bonds pursuant to Section 6(b) of Article VI; and

(f) pursuant to Sections 18(b) or 20(b) of Article IV, other than proceeds of insurance.

*Retired:*

The term "retired" when used with respect to property, shall mean retired, abandoned, destroyed, lost through the enforcement of mortgage or other liens on easements or rights-of-way for transmission or distribution line purposes, or released or otherwise disposed of free of the lien of this Indenture.

*Supplemental indenture:*

The term "supplemental indenture" or "indenture supplemental hereto" shall mean any indenture now or hereafter duly authorized and entered into in accordance with the provisions of this Indenture.

*Trustee:*

The term "Trustee" shall mean the Trustee under this Indenture for the time being, whether original or successor, but not a co-trustee or separate trustee appointed pursuant to Section 6 of Article XIII unless otherwise provided in the instrument of appointment executed pursuant to the provisions of said Section, and only to the extent therein provided.

*Trust estate:*

See definition of "mortgaged property".

## ARTICLE II.

### DESCRIPTION AND MANNER OF EXECUTION, AUTHENTICATION AND REGISTRATION OF BONDS.

SECTION 1. The Bonds may, at the election of the Board of Directors, be in one or more series and, except as hereinafter in this Section provided, shall be designated generally as the First Mortgage Bonds of the Company, with such further appropriate particular designations added to or incorporated in or eliminated from such title, for the Bonds of any particular series, as the Board of Directors may determine. Each Bond shall bear upon the face thereof the designation so selected for the series to which it belongs. All Bonds of any one series at any time simultaneously outstanding shall be identical in respect of date of maturity (unless they are of serial maturities), the place or places of payment of principal and of interest, the rate and dates of interest payments, the terms and rate or rates of optional redemption, if redeemable, the terms of convertibility, if convertible, and in respect of sinking fund or analogous provisions (if any) and tax provisions (if any); but Bonds of the same series may be of different denominations, and Bonds of any series may be of serial maturities and, if of serial maturities, may differ with respect to redemption price. All coupon Bonds of any one series shall be dated as of the same date and such date shall be fixed for the Bonds of any particular series by the Board of Directors.

The Company may, if the Board of Directors so elects and the Trustee approves, and, if the Trustee so requests in writing, the Company shall, at any time or from time to time change the general designation of the Bonds from First Mortgage Bonds to such other general designation as may in the opinion of the Trustee be appropriate under the circumstances existing at the particular time. In the case of any such change, and until a further change, all Bonds which may be authenticated and delivered thereafter pursuant to Article III shall bear such new designation. If additional Bonds of any particular series, of which series

Bonds are outstanding at the time of any such change, shall at any time thereafter be authenticated and delivered, or if any Bonds bearing such new designation are authenticated and delivered thereafter pursuant to this Article II in exchange or substitution for or upon transfer of any such Bonds, the Company shall provide for the exchange of all Bonds of such series at the time outstanding for new Bonds of like series and maturity bearing the new general designation, at the option of, but without expense to, the holders.

SECTION 2. Subject to determination from time to time by the Board of Directors, as expressed from time to time in one or more indentures supplemental hereto, which the Company is hereby authorized to execute and deliver to the Trustee, the Bonds of any series:

(a) shall bear interest at such rate and be payable, as well the interest as the principal thereof, at such time or times, and at such place or places, as may be determined by the Board of Directors and expressed in such Bonds;

(b) shall be payable in any coin or currency of the United States of America, which at the time of payment is legal tender for public or private debts;

(c) may be either coupon Bonds registerable as to principal or registered Bonds without coupons, or both, and coupon Bonds of such denominations as may be specified by the Board of Directors may contain provisions permitting the exchange thereof for fully registered Bonds without coupons of authorized denominations of the same series and of the same maturity, and provisions (in addition to the privilege of exchange referred to in Section 8 of this Article) permitting the exchange thereof for other coupon Bonds of other authorized denominations of the same series and of the same maturity, but in every case of the same aggregate principal amount;

(d) may have such additional registration privileges as may be determined by the Board of Directors;

(e) may be in such denominations as may be determined by the Board of Directors;

(f) may be limited as to the maximum principal amount thereof which may be authenticated and delivered by the Trustee or which may be at any one time outstanding, and an appropriate insertion in respect of such limitation may, but need not, be made in the Bonds of such series;

(g) may contain such lawful provisions, if any, as the Board of Directors shall prescribe with respect to the payment of principal or interest or both thereby represented without deduction for or the reimbursement of such taxes, assessments or governmental charges as may be specified therein or in an indenture supplemental hereto creating such series, and otherwise with respect to relieving the holder from payment of any such taxes, assessments or governmental charges;

(h) may contain such provisions for the redemption thereof, at the option of the Company, at such redemption price or prices, at such time or times, upon such notice, in such manner and upon such other terms and conditions, not inconsistent with the provisions of Article V, as may be determined by the Board of Directors and expressed in such Bonds;

(i) may be convertible into or exchangeable for, at the option of the holders thereof, capital stock of any class of the Company or of any other corporation, at such times and upon such terms and conditions and subject to such adjustments as may be determined by the Board of Directors and expressed in such Bonds or in an endorsement thereon;

(j) may contain such provisions, if any, for the establishment of a purchase, sinking, amortization, improvement, or analogous fund therefor, in such amount, at such time or

times, in such manner and upon such other terms and conditions, and for the retirement or redemption of such Bonds by the operation of any such fund or otherwise, at such price or prices, in such amounts, at such time or times, in such manner and upon such other terms and conditions as may be determined by the Board of Directors and expressed in such Bonds; and

(k) may contain such provisions with respect to serial maturities, interest rate, redemption price or prices, convertibility, anticipation of maturity on the happening of a specified event, and such other special terms and conditions, not contrary to the provisions hereof, as may be determined by the Board of Directors.

SECTION 3. In case the Company, pursuant to Article XII of this Indenture, shall be consolidated with or merged into any other corporation or shall convey, subject to this Indenture, all or substantially all the mortgaged property as an entirety, and the successor corporation resulting from such consolidation, or into which the Company shall have been merged, or which shall have received a conveyance as aforesaid, shall have executed and caused to be recorded an indenture with the Trustee pursuant to Section 2 of Article XII, any of the Bonds authenticated or delivered prior to such consolidation, merger or conveyance may, from time to time, at the request of the successor corporation and with the consent of the holders thereof, be exchanged for other Bonds of the same series and of the same maturity executed in the name of the successor corporation with such changes in phraseology and form as may be appropriate, but otherwise in substance of like tenor to the Bonds surrendered for such exchange and of like principal amount; and the Trustee, upon the request of the successor corporation, shall authenticate and deliver Bonds as specified in such request for the purpose of such exchange. If additional Bonds of any particular series, of which series Bonds are at the time outstanding, shall at any time thereafter be authenticated and delivered in any new name, or if any Bonds in any new name are authenticated and delivered

thereafter pursuant to this Article II in exchange or substitution for or upon transfer of any such Bonds, the Company shall provide for the exchange of all Bonds of such series at the time outstanding for Bonds in such new name, at the option of, but without expense to, the holder.

SECTION 4. The Company shall keep or cause to be kept at an agency to be maintained by it in the city in which the Trustee, at the time, has its principal office, books for the registration and transfer of Bonds entitled to registration and transfer, which, at all reasonable times, shall be open for inspection by the Trustee; and, upon presentation for such purpose at such office or agency, the Company will register or transfer or cause to be registered or transferred therein, as hereinafter provided and under such reasonable regulations as it may prescribe, any Bonds entitled to be so registered or transferred.

Similar books shall also be kept at such other place or places as the Board of Directors may determine, for the registration and transfer of the Bonds of any particular series, open in like manner for inspection by the Trustee, in which the Bonds of such series may be registered and transferred upon the terms and in the manner in this Article provided; and such other place or places may (but need not) be appropriately recited in the Bonds of such series.

SECTION 5. All coupon Bonds shall be negotiable and pass by delivery, unless registered as to principal in the manner hereinafter provided. The bearer of any coupon Bond may have the ownership of the principal thereof registered on said registration books required to be kept pursuant to Section 4 of this Article, and such registration shall be noted on the Bond. After such registration no transfer shall be valid unless made on such books by the registered owner in person, or by his duly authorized attorney, and similarly noted on the Bond; but the same may be discharged from registration by being in like manner transferred to bearer and thereupon transferability by delivery shall be restored; and such Bond may again, from time to time, be regis-

tered or discharged from registration in the same manner as before. Such registration, however, shall not affect the negotiability by delivery of the coupons, but every such coupon shall continue to be transferable by delivery merely and shall remain payable to bearer, and payment thereof to bearer shall fully discharge the Company in respect of the interest therein mentioned, whether or not the Bond be registered as to principal. Such registrations and discharges from registration shall be without expense to the holder of the Bonds, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the Bondholder requesting such registration or discharge from registration as a condition precedent to the exercise of such privilege.

SECTION 6. Any registered Bond without coupons may be transferred at the agency of the Company to be maintained by it as aforesaid, upon surrendering such Bond for cancellation accompanied by delivery of a written instrument of transfer in a form approved by the Company, duly executed by the registered owner of such Bond, and thereupon the Company shall execute in the name of the transferee or transferees and the Trustee shall authenticate and deliver, a new registered Bond, or new registered Bonds, of like form, of the same series and maturity, for the same aggregate principal amount. Except as provided in Sections 10 and 13 of this Article, every registered Bond without coupons shall be dated as of the date of its authentication and delivery (except that if any registered Bond shall be authenticated and delivered on any interest payment date it shall be dated as of the day next following such interest payment date), and shall bear interest from the interest payment date next preceding the date of such Bond, or, in case of registered Bonds without coupons authenticated and delivered on the initial authentication and delivery of Bonds of any series, from the first date on which interest is payable with respect to Bonds of such series.

SECTION 7. As to all registered Bonds without coupons and all coupon Bonds registered as to principal, the person in whose

name the same shall be registered shall be deemed and regarded as the absolute owner thereof, for all purposes of this Indenture; and thereafter payment of or on account of the principal of such Bond, if it be a coupon Bond registered as to principal, and of the principal and interest, if it be a registered Bond without coupons, shall be made only to or upon the order in writing of such registered owner thereof, but such registration may be changed as above provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bonds to the extent of the sum or sums so paid. The Company and the Trustee may deem and treat the bearer of any coupon Bond, which shall not at the time be registered as to principal, and the bearer of any coupon for interest on such Bond, whether such Bond shall be registered or not, as the absolute owner of such Bond or coupon for the purpose of receiving payment thereof, and for all other purposes whatsoever, and the Company and the Trustee shall not be affected by any notice to the contrary.

SECTION 8. Coupon Bonds of any authorized denominations bearing all unmatured coupons may, upon surrender thereof to the Company in principal amounts aggregating One thousand dollars or some multiple thereof, be exchanged for the same aggregate principal amount of coupon Bonds, of the same series and of the same maturity, in any authorized denomination not less than One thousand dollars, bearing all unmatured coupons. A registered Bond without coupons, with or without others of like form, series and maturity, may, upon surrender thereof to the Company, be exchanged for one or more such Bonds of like form for the same aggregate principal amount, of the same series and maturity, in authorized denominations. A registered Bond without coupons may, upon surrender thereof to the Company, be exchanged for a coupon Bond or Bonds for the same aggregate principal amount, of the same series and of the same maturity, in any authorized denomination not less than One thousand dollars, with coupons representing interest from the next preceding interest payment date, and bearing the serial numbers, if any, endorsed on the Bond surrendered.



SECTION 9. Until Bonds in definitive form of any series are ready for delivery, the Company may execute, and upon its request in writing, the Trustee shall authenticate and deliver in lieu of any thereof, and subject to the same provisions, limitations and conditions, one or more printed, lithographed or typewritten Bonds in temporary form, substantially of the tenor of the Bonds hereinbefore described, without coupons or with one or more coupons, and with appropriate omissions, variations and insertions. Such Bond or Bonds in temporary form may be for the amount of One hundred dollars or any multiple or multiples thereof, as the Company may determine. Until exchanged for Bonds in definitive form such Bonds in temporary form shall be entitled to the lien and benefit of this Indenture. The Company shall, without unreasonable delay, prepare, execute and deliver to the Trustee, and thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form, the Trustee shall authenticate and deliver, in exchange therefor, a Bond or Bonds in definitive form of the same series and maturity for the same aggregate principal amount as the Bond or Bonds in temporary form surrendered. Such exchange shall be made by the Company at its own expense and without making any charge therefor. When and as interest is paid upon Bonds in temporary form without coupons, the fact of such payment shall be noted thereon. Until such Bonds in definitive form are ready for delivery, the holder of one or more Bonds in temporary form may, with the consent of the Company, exchange the same on the surrender thereof to the Trustee for cancellation and shall be entitled to receive Bonds in temporary form of like aggregate principal amount of the same series and maturity in authorized denominations indicated by him, bearing all unmatured coupons, if any.

SECTION 10. In all the cases in which the privilege of exchanging Bonds exists and is exercised, the Bonds to be exchanged shall be surrendered at such place or places as shall be designated by the Board for the purpose, with all unmatured coupons attached in the case of coupon Bonds or of Bonds in temporary form with coupons, and accompanied by duly executed instru-

ments of transfer in the case of registered Bonds without coupons and coupon Bonds or Bonds in temporary form registered as to principal, and the Company shall execute and the Trustee shall authenticate and deliver, in exchange therefor, the Bond or Bonds which the Bondholder making the exchange shall be entitled to receive. Every exchange of Bonds shall be effected in such manner as may be prescribed by the Board with the approval of the Trustee.

Each Bond delivered pursuant to the exercise of any such privilege of exchange or in substitution for the whole or any part of one or more other Bonds of the same series and maturity shall carry all of the rights to interest accrued and unpaid, and to accrue, which were carried by the whole or such part of such one or more other Bonds, and notwithstanding anything contained in this Indenture, such Bonds shall be so dated, and have attached thereto such coupons, that neither gain nor loss in interest shall result from such exchange or substitution.

Upon every exchange of coupon Bonds for coupon Bonds of another denomination or for registered Bonds without coupons, or of registered Bonds without coupons for coupon Bonds or for other registered Bonds without coupons, and upon every transfer of registered Bonds without coupons, the Company may require payment of such charge therefor as it may deem proper, not exceeding the sum of Two dollars for each Bond issued upon such exchange or transfer, payment of which, together with any stamp taxes or other governmental charges required to be paid with respect to such exchange or transfer, shall be made by the Bondholder requesting such exchange or transfer as a condition precedent to the exercise of the privilege of such exchange or transfer.

The Company shall not be required to make (a) exchanges or transfers of any Bond under any provision of this Article either for the period of five days next preceding any interest payment date for such Bond or the redemption date of such Bond, or (b) exchanges of any coupon Bond for another coupon Bond or other coupon Bonds or for a registered Bond or Bonds without coupons, after the first publication or mailing, whichever shall

be earlier, of notice of redemption of such Bond as provided in Article V.

All Bonds so surrendered for exchange and the coupons attached thereto and all registered Bonds without coupons surrendered for transfer shall be presented to the Trustee for cancellation, and the Trustee shall forthwith cancel the same, and, on its written request, deliver the same to the Company.

All Bonds executed, authenticated and delivered in exchange for Bonds so surrendered or upon transfer of registered Bonds without coupons shall be the valid obligations of the Company, evidencing the same debt as the Bonds surrendered, and shall be secured by the lien of this Indenture to the same extent as the Bonds in exchange for which they were authenticated and delivered.

SECTION 11. Any Bond, whether in registered or in coupon form, may bear such numbers, letters, or other marks of identification or designation, and may be endorsed with or have incorporated in the text thereof such legends or recitals with respect to transferability or in respect of the Bond or Bonds for which it is exchangeable and may contain such provisions, specifications and descriptive words, not inconsistent with the provisions of this Indenture as may be determined by the Board and approved by the Trustee; and provision may be made in connection with the issue of coupon Bonds of denominations of less than One thousand dollars or of registered Bonds without coupons for the reservation of the appropriate numbers or other designating marks of the coupon Bonds exchangeable therefor as may be required to comply with the rules and regulations of any stock exchange upon which the Bonds are or are to be listed or to conform with any usage with respect thereto.

SECTION 12. All the Bonds shall, from time to time, be executed on behalf of the Company by its President or one of its Vice Presidents and its corporate seal (which may be in facsimile) shall be thereunto affixed and attested by its Secretary or one of its Assistant Secretaries. The coupons to be attached to the Bonds shall bear the facsimile signature of the present or any future Treasurer of the Company.

In case any of the officers who shall have signed or sealed any of said Bonds shall cease to be such officers of the Company before the Bonds so signed and sealed shall have been actually authenticated by the Trustee or delivered by the Company, such Bonds nevertheless may be authenticated, issued, and delivered with the same force and effect as though the person or persons who signed or sealed such Bonds had not ceased to be such officer or officers of the Company; and also any such Bond may be signed and sealed on behalf of the Company by such persons as at the actual date of the execution of such Bond shall be the proper officers of the Company, although at the nominal date of such Bond any such person shall not have been such officer of the Company.

Before authenticating any Bond the Trustee, except as provided in Sections 10 and 13 of this Article, shall cut off, cancel and deliver to the Company all matured coupons thereon.

SECTION 13. Upon receipt by the Company and the Trustee of evidence satisfactory to both of them that any outstanding Bond has been mutilated, destroyed, lost or stolen, and of indemnity satisfactory to both of them, in their discretion, the Company, in its discretion, may execute, and thereupon the Trustee shall authenticate and deliver, a new Bond of the same series and maturity and of like tenor (which may bear such notation as may be required by the rules of any stock exchange upon which the Bonds are listed or are to be listed and having attached the same corresponding coupons, if any, as the mutilated, destroyed, lost or stolen Bond if such Bond were a coupon Bond, or, if such Bond were a registered Bond without coupons, having endorsed thereon the same distinctive number or numbers of the coupon Bond or Bonds in lieu of and in exchange for which such mutilated, destroyed, lost or stolen Bond was issued), in exchange and substitution for, and upon surrender and cancellation of, the mutilated Bond and coupons, if any, or in lieu of and in substitution for the Bond and coupons, if any, so destroyed, lost or stolen. The Company may, for each new Bond authenticated and delivered under the provisions of this Section, require the payment of a sum not exceeding Two dollars and, in addition, the expenses, including counsel fees, which may be incurred by the

Description, etc. of Bonds.

Article II, Section 14.

Authentication and Delivery of Bonds.

Article III, Section 1.

Company and the Trustee in the premises. Any Bond or coupon issued under the provisions of this Section in lieu of any Bond or coupon alleged to be destroyed, lost or stolen, shall constitute an original additional contractual obligation on the part of the Company whether or not the Bond or coupon so alleged to be destroyed, lost or stolen be at any time enforceable by anyone; and shall be equally and proportionately entitled to the benefits of this Indenture with all other Bonds and coupons issued under this Indenture.

SECTION 14. Subject to the qualifications hereinbefore set forth, the Bonds and coupons to be secured hereby shall be substantially of the tenor and effect hereinbefore recited, and no Bonds shall be secured hereby or entitled to the benefit hereof, or shall be or become valid or obligatory for any purpose unless there shall be endorsed thereon a certificate of authentication, substantially in the form hereinbefore recited, executed by the Trustee; and such certificate on any Bond issued by the Company shall be conclusive evidence and the only competent evidence that it has been duly authenticated and delivered hereunder.

### ARTICLE III.

#### AUTHENTICATION AND DELIVERY OF BONDS.

SECTION 1. The aggregate principal amount of Bonds which may be executed by the Company and authenticated and delivered by the Trustee and secured by this Indenture and outstanding at any one time shall not, in any event, exceed the amount at the time permitted by law, but otherwise, except as hereinafter in this Article III provided, is not limited. But the aggregate principal amount of Bonds, which may be so executed, authenticated and delivered hereunder, may, at any time at the election of the Company, evidenced by an indenture supplemental hereto, be limited to such definite aggregate principal amount as may be specified in such supplemental indenture. This Indenture shall be and constitute a continuing lien to secure the full and final

Authentication and Delivery of Bonds.  
Article III, Sections 2 and 3.

payment of the principal of, and interest (and premium, if any) on, all Bonds which may, from time to time, be executed, authenticated and delivered hereunder. Subject to Section 2 of Article IV and subject to the terms with respect to any purchase or sinking fund or analogous provisions for any particular series of Bonds as established by any indenture supplemental hereto, all Bonds and coupons shall in all respects be equally and ratably secured hereby without preference, priority or distinction on account of the actual time or times of the authentication and delivery or maturity of the Bonds and coupons, or any of them, so that all Bonds and coupons at any time outstanding hereunder shall have the same right, lien and preference under and by virtue of this Indenture, and shall all be equally secured hereby, with like effect as if they had all been executed, authenticated and delivered simultaneously on the date hereof, whether the same, or any of them, shall actually be sold or disposed of at such date, or whether they, or any of them, shall be sold or disposed of at some future date, or whether they, or any of them, shall have been authorized to be authenticated and delivered under Section 2 of this Article III, or may be authorized to be authenticated and delivered hereafter pursuant to other provisions of this Indenture.

SECTION 2. Bonds for the aggregate principal amount of Fifty-five million dollars (\$55,000,000), being the initial issue of Bonds of 3½% Series due 1968, may forthwith be executed by the Company and delivered to the Trustee and shall be authenticated by the Trustee and delivered (either before or after the filing or recording hereof) to or upon the order of the Company. Such Bonds shall be subject to the terms of the Supplemental Indenture dated October 28, 1938, made by the Company and the Trustee and delivered simultaneously herewith, to which reference is hereby made for the provisions and agreements therein contained in respect of the Bonds of 3½% Series due 1968.

SECTION 3. Except as otherwise specifically provided in Section 4(h) and Section 6(b) of this Article III, the Company

Authentication and Delivery of Bonds.  
Article III, Section 3(a) and (b).

84

shall file or deposit with the Trustee, upon any application for the authentication of additional Bonds pursuant to Sections 4, 5 or 6 of this Article III:

(a) A certified resolution of the Board of Directors authorizing the execution and requesting the authentication and delivery of the additional Bonds applied for in the principal amount therein specified, designating the series of such Bonds, as created by the terms of an indenture supplemental hereto, and naming the officer or officers of the Company to whom or upon whose order such Bonds shall be delivered.

(b) An officers' certificate stating in substance that:

(1) The net earnings of the Company available for interest and property retirement appropriations for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the application for authentication and delivery of additional Bonds is made, have been in the aggregate equal to not less than the greater of twice the amount of the annual interest charges on, or ten per cent. (10%) of the principal amount of,

(i) all Bonds then outstanding under this Indenture and the additional Bonds applied for;

(ii) all prior lien bonds at the time outstanding and all prior lien bonds, if any, simultaneously applied for; and

(iii) in case the Company shall have been consolidated or merged with or into or shall have made a conveyance to any other corporation as permitted by Article XII and the corporation formed by or resulting from such consolidation or merger or to which such conveyance shall have been made, as aforesaid, shall not have executed and delivered to the Trustee and caused to be recorded a supplemental indenture subjecting to the lien of the Indenture all property

and franchises then owned and which may thereafter be acquired by such successor corporation (other than property of the character defined in the granting clauses hereof as excepted property), all other indebtedness of said successor corporation maturing more than one year from the date of creation thereof;

(2) The net earnings of the Company available for interest and property retirement appropriations have been calculated in accordance with the definition thereof contained in Article I, and to that end specifying the operating revenues of the Company and the net non-operating revenues of the properties of the Company and the deductions therefrom all as called for by said definition; and

(3) The Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms and covenants of this Indenture.

(c) An opinion of counsel to the effect that:

(1) Since the date of the last previous opinion of counsel filed with the Trustee pursuant to Sections 4, 5 or 6 of this Article III (or since October 31, 1938 in the case of the first opinion filed hereunder), no property described in the granting clauses of this Indenture or in any previous certificate with respect to property additions not subject to an unfunded prior lien filed with the Trustee, which is still owned by the Company, has become and still remains subject to any lien not existing thereon at such previous date prior to the lien of this Indenture as security for the additional Bonds then applied for, excepting specified judgment liens and permitted liens;

(2) The issue of the additional Bonds, the authentication and delivery of which are being applied for, has been duly authorized by all governmental authorities the consent of which is requisite to the legal issue of such



Bonds or that no such consent is required; and, unless such opinion shall show that no consent of any governmental authority is requisite to the legal issue of the additional Bonds applied for, it shall specify any official certificates or other documents by which such consent is evidenced, and the same shall accompany such opinion; and

(3) The Company is duly authorized and entitled to the authentication and delivery of the additional Bonds applied for in accordance with the provisions of this Indenture and to issue such additional Bonds under the laws of the State of Wisconsin and the applicable laws of any other jurisdiction; that upon the issue of such Bonds, such Bonds will be the valid and binding obligations of the Company and entitled to the benefits and security of this Indenture; and that the amount of Bonds then outstanding under this Indenture will not exceed the amount at the time permitted by law.

(d) An amount of cash equal to the aggregate amount of all judgment liens specified in the opinion of counsel provided for in Subdivision (c) of this Section, less the amount of all cash then held by the Trustee on account of such judgment liens, which shall be held and applied by the Trustee as a part of the trust estate and which may be withdrawn only in accordance with Section 6 of Article VIII.

SECTION 4. From time to time hereafter the Company, in addition to the Bonds authorized to be executed, authenticated and delivered pursuant to the other provisions of this Article III, may execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the order of the Company, additional Bonds for an aggregate principal amount equal to seventy per cent. (70%) of the net bondable value of property additions not subject to an unfunded prior lien. The Trustee shall authenticate and deliver such additional Bonds only upon receipt by it of:

Authentication and Delivery of Bonds.  
Article III, Section 4(a).

87

(a) An engineer's certificate with respect to net bondable value of property additions not subject to an unfunded prior lien, showing in substance:

(1) The balance, if any, of the net bondable value of property additions not subject to an unfunded prior lien, as stated in the most recent certificate, if any, with respect to net bondable value of property additions not subject to an unfunded prior lien theretofore filed with the Trustee, which shall not, however, exceed Five hundred thousand dollars.

(2) The aggregate cost to the Company of the gross property additions not subject to an unfunded prior lien purchased, constructed or otherwise acquired by the Company during the period specified in such certificate and not described in any previous certificate with respect to net bondable value of property additions not subject to an unfunded prior lien filed with the Trustee. A description in reasonable detail of such gross property additions, which may be in accordance with the classifications then used by the Company in its property account and may, in the case of tracts or parcels of land, be by reference to the deeds by which the same were acquired or to the supplemental indenture by which the same were or are being conveyed to the Trustee, and which shall specify any gross property additions consisting of an acquired plant or system, or which shall have been acquired and paid for in whole or in part through the issue or delivery of shares of stock or other securities; whether the fair value to the Company (as of the date provided for in the definition of fair value to the Company contained in Article I) of any particular property addition included in the certificate, except such as have been retired by the Company, is less than the cost to the Company thereof, and, if so, such fair value thereof; a distribution of the cost to the Company, or the fair value to the Company, if the fair value is less than the cost,

of the property additions described in the certificate among the various classes of such property additions, to such extent and upon such basis, which may be an estimate, as the signers deem proper. If the fair value of any property additions is less than the cost thereof to the Company, the fair value shall be used in determining the amount at which the gross property additions described pursuant to the provisions of this paragraph (2) are included in the engineer's certificate.

(In case the inclusion in the certificate of all of the gross property additions purchased, constructed or otherwise acquired by the Company during the period stated in the certificate would result in a balance of over Five hundred thousand dollars of net bondable value of property additions remaining after the granting of the application being made, an amount of the gross property additions purchased, constructed or otherwise acquired during such period sufficient to prevent such balance from exceeding Five hundred thousand dollars shall be omitted from the gross property additions stated in said certificate, but the gross property additions so omitted may be included in any later certificate, regardless of the period covered by such later certificate. No property additions subject to an unfunded prior lien, which will not, prior to or simultaneously with the granting of the application with respect to which the certificate is then being filed, become a funded prior lien, and no property additions with respect to which the Company cannot at the time furnish the opinion of counsel, required by Subdivision (e) of this Section, shall be included in the gross property additions stated, but such property additions may be included in a later certificate when such unfunded prior lien shall become a funded prior lien or when the Company is able to furnish the opinion of counsel, as the case may

be, regardless of the period covered by such later certificate.)

(3) The excess, if any, of the bonded cost of all bondable property, which was not subject to an unfunded prior lien at the date of its release, released from the lien of this Indenture pursuant to Section 3 or Section 5 of Article VII, during the period between the date of filing the most recent certificate, if any, with respect to net bondable value of property additions not subject to an unfunded prior lien theretofore filed with the Trustee (or October 31, 1938 in the case of the first such certificate) and the date of filing the certificate then being filed, over the fair value to the Company of such property at the time of such release, as stated in an engineer's certificate filed with the Trustee pursuant to Section 3(b) of Article VII, or over the proceeds of such property paid over to the Trustee or the trustee of any funded prior lien pursuant to Section 5 of Article VII, as the case may be.

(4) The bonded cost of all bondable property (other than property released from the lien of this Indenture pursuant to Section 3 or Section 5 of Article VII), which was not subject to an unfunded prior lien at the date of its retirement, retired during the period between the latest date of the period for which retirements were stated in the most recent certificate, if any, with respect to net bondable value of property additions not subject to an unfunded prior lien theretofore filed with the Trustee (or October 31, 1938 in the case of the first such certificate) and the last day of any calendar month within the period of three calendar months immediately preceding the first day of the month in which the particular certificate is being filed with the Trustee, or the last day of the period during which the gross property additions described in paragraph (2) of this Subdivision (a) were purchased, constructed or otherwise acquired, if such date is later.

**Authentication and Delivery of Bonds.**  
**Article III, Section 4(a).**

90

(5) In case the gross property additions described in the certificate shall include property additions subject to an unfunded prior lien, which prior to or simultaneously with the granting of such application will become a funded prior lien,—the bonded cost of all property additions which were subject to such unfunded prior lien and which have been retired by the Company during the period between the date of its first acquisition of property additions subject to such prior lien and the date such prior lien became a funded prior lien, or the latest date of the period covered by paragraph (4) of this Subdivision (a), if such date is earlier, but which have not theretofore been deducted in a certificate with respect to net bondable value of property additions not subject to an unfunded prior lien filed with the Trustee.

(6) The aggregate of:

(i) the amount of all cash in the trust estate which has been withdrawn pursuant to Section 1 of Article VIII on the basis of property additions not subject to an unfunded prior lien,

(ii) the amount of all cash received by the Trustee as release moneys which has been applied to any sinking fund payments pursuant to Section 5 of Article VIII,

(iii) the amount by which all cash required to be deposited with the Trustee as part of the trust estate has been reduced on the basis of property additions not subject to an unfunded prior lien by simultaneous compliance with Section 1 of Article VIII,

during the period between the date of filing the most recent certificate, if any, with respect to net bondable value of property additions not subject to an unfunded prior lien theretofore filed with the Trustee (or October 31, 1938 in the case of the first such certificate) and the date of filing the certificate then being filed.

(7) The aggregate of:

(i) the amount of all cash in the trust estate which is simultaneously being withdrawn pursuant to Section 4 of Article VIII;

(ii) the amount by which all cash required to be deposited with the Trustee as part of the trust estate is being reduced by simultaneous compliance with Section 4 of Article VIII; and

(iii) the principal amount of Railway Company bonds which are simultaneously being released from the lien of this Indenture pursuant to Section 6(b) of Article VII.

(8) Ten-sevenths ( $\frac{10}{7}$ ths) of the amount of cash, if any, which is simultaneously being withdrawn pursuant to Section 3(a) of Article VIII.

(9) Ten-sevenths ( $\frac{10}{7}$ ths) of the aggregate principal amount of additional Bonds then applied for upon the basis of property additions.

(10) The balance of net bondable value of property additions not subject to an unfunded prior lien, shown by said certificate, remaining after the granting of the application then being made which shall be computed by taking

(i) the sum of the amounts stated pursuant to paragraph (1) of this Subdivision (a), and the total of the gross property additions stated pursuant to paragraph (2) of this Subdivision (a);

and subtracting therefrom

(ii) the sum of the amounts stated pursuant to paragraphs (3), (4), (5), (6), (7), (8) and (9) of this Subdivision (a).

(11) That the gross property additions described in the certificate are property additions as defined in Article I; that no portion of such property additions was included in any other certificate with respect to net bondable value of property additions not subject to an unfunded prior lien filed with the Trustee; that such property additions, except such as have been retired, are desirable in the conduct of the business of the Company; that the distribution made by the signers of the cost or the fair value of any of such property additions is, in the opinion of the signers, proper; and that the bonded cost of bondable property not subject to an unfunded prior lien retired by the Company during the period since the last day of the period covered pursuant to paragraph (4) of this Subdivision (a) does not exceed the aggregate of (i) the balance of net bondable value of property additions not subject to an unfunded prior lien stated pursuant to paragraph (10) of this Subdivision (a), and (ii) the cost to the Company of the gross property additions not subject to an unfunded prior lien not included in any certificate with respect to net bondable value of property additions not subject to an unfunded prior lien filed with the Trustee.

(12) That the allowances or charges, if any, for interest, taxes, engineering, legal expenses, superintendence, insurance, casualties and other items during construction, included in the cost to the Company of such of the property additions described in the certificate as were constructed by or for the Company, are such as are properly chargeable to fixed property accounts under the regulations, rules and orders, if any, with respect to such matters in force at the time of construction, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, and are such as are, in the opinion of the signers, proper in respect of the particular property additions specified.

(13) That no portion of the cost or the fair value to the Company of such property additions described in the certificate should properly have been charged to maintenance or repairs, and that no expenditures are included in the certificate, which under the regulations, rules and orders, if any, with respect to such matters in force at the time, of the Public Service Commission of Wisconsin or other public body or authority having jurisdiction or supervisory authority over the accounts of the Company, or, if there are no such regulations, rules and orders, in the opinion of the signers, are not properly chargeable to fixed property accounts.

(14) Whether any portion of the property additions described in the certificate is at the time subject to a prior lien, and, if so, the total amount of all prior lien bonds secured thereby and a brief statement of the nature and extent of the mortgage or other lien securing the same, and whether such prior lien is a funded prior lien, and, if not, specifying the amounts of prior lien bonds and cash which must be deposited with the Trustee or with a trustee or other holder of any prior lien securing such prior lien bonds or other prior lien bonds, in order to constitute such prior lien a funded prior lien; and whether any portion of such property additions is, at the time, subject to a judgment lien and, if so, a brief statement of the nature and extent of such judgment lien and what, if any, funds have been theretofore deposited with the Trustee on account of such judgment lien.

(15) That no portion of the property additions described in the certificate is subject to any mortgage, pledge or other lien prior to the lien of this Indenture, except the prior liens and judgment liens, if any, specified pursuant to paragraph (14) above and permitted liens and, in the case of property additions to or upon leasehold estates, as permitted by this Indenture, the lien



Authentication and Delivery of Bonds.  
Article III, Section 4(b), (c), (d) and (e).

reserved by the lease for rent and for compliance by the Company with the terms of the lease; and that no portion of such property additions is subject to any easement or similar encumbrance except such as, in the opinion of the signers, does not impair the continued use of such property additions for the purposes for which they were acquired.

(16) That the terms used in the certificate which are defined in Article I are used as therein defined.

(b) In case any property additions are shown by the engineer's certificate provided for in Subdivision (a) of this Section 4 to consist of an acquired plant or system, an independent engineer's certificate stating, in the opinion of the signer, the fair value to the Company of the gross property additions consisting of such acquired plant or system, except such as have been retired by the Company, determined as provided in Article I.

(c) In case any property additions are shown by the engineer's certificate provided for in Subdivision (a) of this Section 4 to have been acquired or paid for in whole or in part through the issue or delivery of shares of stock or other securities, an appraiser's certificate, stating the fair value in cash of such shares of stock or other securities at the time of the issue or delivery thereof in payment for such property additions.

(d) Such instruments of conveyance, transfer and assignment as, in the opinion of counsel, may be necessary to vest in the Trustee to hold as a part of the mortgaged property all right, title and interest of the Company in and to the property additions described pursuant to Subdivision (a) (2) of this Section 4, or the opinion of counsel that no such instruments are necessary for such purpose.

(e) An opinion of counsel to the effect that:

Authentication and Delivery of Bonds.  
Article III, Section 4(e).

(1) The Company has, or upon delivery of the instruments of conveyance, transfer or assignment, if any, specified in such opinion will have, good title to any tracts or parcels of land mentioned or described in the engineer's certificate provided for in Subdivision (a) of this Section 4 (except such as have been retired), subject only to such defects therein as the Company may have power by appropriate legal proceedings to cure, or which, in the opinion of such counsel, are inconsequential, and to such liens and encumbrances as are referred to in paragraph (6) below;

(2) If such property additions include any easements, rights-of-way, or leases over private property for towers, poles, wires, conduits or mains, or for transmission line or distribution line purposes, or rights, permits or licenses to use or appropriate water or to overflow the land of others by the erection of dams or otherwise, or transmission line or distribution line equipment or dams or other similar structures installed by the Company upon any such land, the Company is entitled to such right-of-way or easement or such leasehold interest or such right, permit or license, as the case may be, for an unlimited or indeterminate or indefinite period of time, or for a period extending beyond the date of maturity of the additional Bonds applied for and also beyond the date of maturity of all Bonds then outstanding under this Indenture, or the Company has power under eminent domain or similar statutes to condemn and acquire such right-of-way or a right-of-way adjacent thereto, or to acquire rights, permits or licenses sufficient for its purposes to use or appropriate water or overflow said lands, as the case may be;

(3) If such property additions include any transmission line or distribution line equipment or dams or other similar structures located or constructed on, over or under public highways or other public property, the Company has the lawful right under permits or fran-

Authentication and Delivery of Bonds.  
Article III, Section 4(f).

chises granted by a governmental body having jurisdiction in the premises or by the law of the State in which such property is located to maintain and operate such equipment or structures for an unlimited, indeterminate or indefinite period of time or for the period, if any, specified in such permit or franchise or law and that the terms of such permit or franchise or law do not contain any provisions giving to any public authority the right to take over such equipment without the payment of fair consideration therefor;

(4) The Company has corporate power to own and operate such property additions;

(5) The nature and extent of the prior liens and judgment liens, if any, on such property additions are correctly stated in said engineer's certificate; and

(6) The Indenture is, or upon the delivery of the instruments of conveyance, transfer or assignment or of prior lien bonds or certificates or payment of cash, if any, specified in such opinion, will be, a lien upon all property additions described in said engineer's certificate (except such as have been retired) free and clear of any mortgage or other lien prior to the lien of this Indenture, except specified funded prior liens, if any, specified judgment liens, if any, permitted liens, and, in the case of property additions to or upon leasehold estates, as permitted by this Indenture, the lien reserved by the lease for rent and for compliance with the terms of the lease, and free and clear of any easements or similar encumbrances, except such as, in the opinion of such counsel, do not impair the use of such property additions for the purposes for which they were acquired.

(f) The prior lien bonds and cash in the amounts necessary in order to constitute any unfunded prior liens, specified in the engineer's certificate and opinion of counsel provided for in Subdivisions (a) and (e) of this Section 4, funded

Authentication and Delivery of Bonds.  
Article III, Sections 4(g) and (h) and 5.

prior liens, or the certificate of the trustee or other holder of the prior lien securing such prior lien bonds or other prior lien bonds certifying to the deposit with it of such prior lien bonds or cash.

(g) An amount of cash equal to the aggregate of all judgment liens specified in said engineer's certificate and opinion of counsel, less the amount of all cash then held by the Trustee on account of such judgment liens, which shall be held and applied by the Trustee as part of the trust estate.

(h) The resolution, certificate, opinion of counsel and cash required by Section 3 of this Article III, except that, in case an application for the authentication and delivery of Bonds upon the basis of property additions subject to an unfunded prior lien, which simultaneously with the granting of such application will become a funded prior lien, is made at any time after a date two years prior to the date of maturity of the prior lien bonds secured by such prior lien, the Trustee shall authenticate and deliver such additional Bonds in an amount equal to the principal amount of all prior lien bonds secured by such prior lien outstanding immediately prior to its becoming a funded prior lien, without requiring the certificate provided for in Section 3 (b) of this Article III, upon receipt by it of an officers' certificate stating, in substance, that all or substantially all of such additional Bonds, or the proceeds of the sale thereof, will be applied by the Company for the purpose of making such prior lien a funded prior lien or to the payment of indebtedness incurred by the Company for such purpose.

SECTION 5. From time to time hereafter the Company, in addition to the Bonds authorized to be executed, authenticated and delivered pursuant to the other provisions of this Article III, may execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the order of the Company, additional Bonds for an aggregate principal amount equal to the amount of cash which shall be deposited with the

Authentication and Delivery of Bonds.  
Article III, Section 6(a).

98

Trustee pursuant to this Section 5, but only upon receipt by the Trustee of:

(a) Cash in an amount equal to the aggregate principal amount of additional Bonds applied for pursuant to this Section 5, which shall be held and applied by the Trustee as a part of the trust estate and which may be withdrawn only in accordance with Section 3 of Article VIII, and

(b) The resolution, certificate, opinion of counsel and cash required by Section 3 of this Article III.

SECTION 6. From time to time hereafter the Company, in addition to the Bonds authorized to be executed, authenticated and delivered pursuant to the other provisions of this Article III, and in substitution for any refundable Bonds, may execute and deliver to the Trustee, and the Trustee shall thereupon authenticate and deliver to or upon the order of the Company, additional Bonds for an aggregate principal amount equal to the aggregate principal amount of the refundable Bonds made the basis for the application therefor, but only upon the receipt by the Trustee of:

(a) An officers' certificate stating in substance

(1) The series and the aggregate principal amount of the Bonds in substitution for which additional Bonds are to be authenticated and delivered;

(2) That no part of the Bonds made the basis for the application have theretofore been made the basis for the authentication and delivery of additional Bonds pursuant to this Section 6, or for the withdrawal of cash included in the trust estate or for the reduction of the amount of cash required to be deposited in the trust estate under any provision of this Indenture;

(3) That no part of the Bonds made the basis for the application were paid or redeemed or purchased with moneys included in the trust estate;

Authentication and Delivery of Bonds.  
Article III, Section 6(b).  
Covenants.  
Article IV, Section 1.

99

(4) That no part of the Bonds made the basis for the application were paid or redeemed or purchased pursuant to, or used in anticipation of the requirements of, the provisions of any sinking fund or analogous fund established by any indenture supplemental hereto, which does not permit the authentication of additional Bonds upon the basis of Bonds paid, redeemed, purchased or used for such sinking fund or analogous fund; and

(5) Whether all of the Bonds made the basis for the application were theretofore issued by the Company; and

(b) The resolution, certificate, opinion of counsel and cash required by Section 3 of this Article III, except that, in any case where such application is upon the basis of the payment at maturity of Bonds, which were theretofore issued by the Company, or the redemption or purchase thereof after a date two years prior to the date of their maturity, the certificate provided for by Section 3(b) of this Article III need not be filed with the Trustee, but in lieu thereof there shall be filed with the Trustee an officers' certificate stating, in substance, that all or substantially all of the additional Bonds so applied for, or the proceeds of the sale thereof, will be applied by the Company to the retirement by payment, redemption, purchase or exchange of the Bonds made the basis for the application or the payment by the Company of moneys borrowed for such purpose.

#### ARTICLE IV.

##### PARTICULAR COVENANTS OF THE COMPANY.

The Company hereby covenants, warrants and agrees:

SECTION 1. That the Company will punctually pay or cause to be paid the principal, premium, if any, and interest to become

**Covenants.**

**Article IV, Sections 2, 3 and 4.**

100

due in respect of all the Bonds duly issued hereunder according to the terms thereof. As the coupons are paid they shall be forthwith canceled.

SECTION 2. That no coupon or claim for interest which in any way at or after maturity shall have been transferred or pledged, separate or apart from the Bond to which it relates, or which shall in any manner have been kept alive after maturity by extension or by purchase thereof by or on behalf of the Company, shall be entitled, in case of a default hereunder, to any benefit of or from this Indenture, except after the prior payment in full of the principal of the Bonds and of all coupons and claims for interest not so transferred, pledged, kept alive or extended.

SECTION 3. That the Company is lawfully seized and possessed of all the mortgaged property; that it has good right and lawful authority to mortgage the same as provided in this Indenture; and that the mortgaged property is, at the actual date of the initial issue of Bonds, free and clear of any deed of trust, mortgage, lien, charge or encumbrance thereon or affecting the title thereto prior to this Indenture, except as set forth in the granting clauses hereof.

SECTION 4. That the Company will at all times keep an office or agency, while any of the Bonds are outstanding, at each place at which the principal or interest of any of the Bonds shall be payable, where notices, presentations and demands to or upon the Company in respect of such Bonds or coupons as may be payable at such place or in respect of this Indenture may be given or made, and will give the Trustee written notice of the location of and any change in the location of each such office or offices or agency or agencies. In case the Company shall fail to maintain such office or offices or agency or agencies the principal office of the Trustee shall be conclusively deemed to be the office or agency of the Company for such purposes, and the Company hereby appoints the Trustee its agent, on its behalf, to receive all such notices, presentations and demands.

SECTION 5. That the Company will at all times protect its title to the mortgaged property and every part thereof against loss by reason of any foreclosure or other proceeding to enforce any lien thereon prior to the lien of this Indenture. That the Company will duly pay and discharge, or cause to be paid and discharged, as the same shall become due and payable, all taxes, rates, assessments and governmental and other charges lawfully levied and imposed upon the mortgaged property, including the franchises, earnings and business of the Company, and will duly observe and conform to all valid requirements of any governmental authority relative to any part of such property, and all covenants, terms and conditions under or upon which any part of such property is held; and that the Company will not suffer any mechanics', laborers', statutory or other similar lien or charge to be hereafter created or remain upon such property or any part thereof, or the income therefrom. However, nothing contained in this Section shall require any such tax, assessment, lien or charge to be paid or any such requirement to be complied with so long as the validity thereof shall be contested in good faith, unless thereby, in the opinion of the Trustee or of counsel selected or approved by the Trustee, any of such property may be lost or forfeited.

SECTION 6. That the Company will,

(a) at all times cause all of the mortgaged property, which is of a character usually insured by companies similarly situated and operating like properties, properly to be insured against loss or damage from such hazards and risks as are usually insured by companies similarly situated and operating like properties, to a reasonable amount in responsible stock companies, mutual companies, or reciprocal associations, but no particular hazard or risk need be insured except to the extent of the excess thereof, if any, over Fifty thousand dollars; but the Company may from time to time adopt another method or plan of protection against such loss or damage in substitution, or partial substitution, for the aforesaid insurance, if such plan or method shall afford pro-



Covenants.  
Article IV, Section 6(b), (c) and (d).

102

tection to the Trustee and the trust estate, in the opinion of the signer of an independent engineer's certificate, at least equal to the plan or method of protection against such loss or damage then adopted by companies similarly situated and operating properties subject to similar or greater hazards or risks, but before any such other method or plan may be adopted by the Company, there shall be filed with the Trustee:

(1) an independent engineer's certificate, stating that, in the opinion of the signer, such method or plan of protection is in accordance with the requirements of this Subdivision (a) and affords adequate protection to the Trustee and the trust estate against loss and damage from hazards and risks covered thereby, and does not lessen the protection against such loss or damage existing immediately prior to the adoption of such method or plan; and

(2) an officers' certificate setting forth the details of such method or plan;

(b) cause any particular loss in excess of Ten thousand dollars, which has been insured, to be made payable and to be paid to the Trustee, to be held and applied by the Trustee as a part of the trust estate, except that, if the terms of the mortgage or other instrument securing any prior lien bonds require the payment thereof to the trustee or other holder thereof, any such loss may be payable and may be paid to such trustee or other holder;

(c) cause all proceeds of any insurance payable directly to it to be applied to the replacement of, or improvements to, or both, of the mortgaged property;

(d) at any and all times upon the written request of the Trustee and in any event in May of each calendar year, beginning with the year 1939, furnish to the Trustee an officers' certificate stating in substance that the Company has com-

plied with all the terms and conditions of Subdivision (a) of this Section and, except where another plan or method of protection has been adopted as permitted by said Subdivision (a), containing a detailed statement of the insurance then outstanding and in force provided for under said Subdivision (a), including the names of any insurance companies which have insured, the amounts thereof and the property, hazards and risks covered thereby; and

(e) whenever requested in writing by the Trustee, cause the policies of insurance carried pursuant to this Section to be delivered to the Trustee for examination or inspection, and the Trustee shall within thirty (30) days from the date of such delivery, return such policies to the Company.

SECTION 7. That the Company will at all times make or cause to be made such expenditures by means of renewals, replacements, repairs, maintenance, or otherwise as shall be necessary to maintain, preserve and keep the mortgaged property at all times in good repair, physical condition, working order and condition and in a state of good operating efficiency, except that the Company may abandon any property as provided in Section 2 (b) of Article VII.

SECTION 8. That the Company will

(a) At any and all times, upon the written request of the Trustee, permit the Trustee, by its agents and attorneys, to examine all the books of account, records, reports and other papers of the Company and to take copies and extracts therefrom; and

(b) Once in the year 1939 and once in each calendar year thereafter, at its own expense, have an audit of the books and accounts of the Company made by a firm of public accountants of recognized standing (who may be the regular auditors of the Company) satisfactory to the Trustee, with a sufficient test of the operating and cash transactions to enable

such accountants to report the results of the operations for the period commencing on the day following the date of the last audit (or not later than January 1, 1938, in the case of the first report made pursuant to this Section); and within four months after the close of each such period, deliver to the Trustee a balance sheet of the Company as at the end of such period and a profit and loss account and analysis of surplus of the Company for such period, prepared in reasonable detail, all as reported by such accountants.

The Trustee shall keep on file any such statements so received by it and shall permit any Bondholder to examine the same at all reasonable times.

SECTION 9. That, if the Company shall fail to perform any of the covenants contained in Sections 5, 6, 7 and 8 of this Article, the Trustee, or any receiver appointed hereunder, may make advances to perform the same in its behalf; and the Company hereby agrees to repay all sums so advanced in its behalf, on demand, with interest at five per cent. (5%) per annum after demand, and all sums so advanced, with interest as aforesaid, shall be secured hereby having the benefit of the lien hereby created, in priority to the indebtedness evidenced by the Bonds and coupons; but no such advance shall be deemed to relieve the Company from any default hereunder.

SECTION 10. That the Company will cause this Indenture and all indentures supplemental hereto at all times to be recorded and filed and kept recorded and filed in such manner and in such places as may be provided by law in order fully to preserve and protect the security of the Bondholders and all the rights of the Trustee.

SECTION 11. That the Company will, upon reasonable request, execute and deliver such further instruments and do such further acts as may be necessary or proper to carry out more effectually the purposes of this Indenture, especially to make subject to the

lien hereof any property agreed to be subjected hereto, or intended so to be, to transfer to any new trustee or trustees the estate, powers, instruments and funds held in trust hereunder and to confirm the lien of this Indenture with respect to any series of Bonds.

SECTION 12. That in case the Company shall hereafter create any mortgage upon, or pledge of, the mortgaged property or any part thereof, such mortgage or pledge shall be and shall be expressed to be subject to the prior lien of this Indenture for the security of all Bonds then authenticated and delivered or thereafter to be authenticated and delivered hereunder. That, subject to the provisions of Article XII, in case the Company shall hereafter acquire or own any property (other than property of the nature specifically excepted by the terms of the granting clauses of this Indenture), which is not subject to a prior lien and with respect to which it has the power to subject either to the lien of this Indenture or to a prior lien as a first lien, it will subject such property to the lien of this Indenture as a first lien.

SECTION 13. That the Company will not execute, or permit to be authenticated and delivered, any Bonds hereunder in any manner other than in accordance with the provisions of this Indenture and the agreements in that behalf herein contained, and will not suffer or permit any default to occur under this Indenture, but will faithfully observe and perform all the conditions, covenants and requirements of this Indenture (including all indentures supplemental hereto).

SECTION 14. That the Company will not acquire, by purchase, merger or otherwise, any property subject to a lien or liens which will on acquisition be an unfunded prior lien or prior liens,

(a) if at the time of first acquisition by the Company of property subject to such lien or liens, the principal amount of outstanding indebtedness secured by such lien or liens shall exceed seventy per cent. (70%) of the lesser of the cost or

the fair value of the property of the nature of property additions subject to such lien or liens; and

(b) unless the net earnings of such property available for interest and property retirement appropriations (determined in the manner provided in Article I) for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the first acquisition of property subject to such lien or liens occurs, shall have been in the aggregate equal to at least the greater of twice the amount of the annual interest charges on, or ten per cent. (10%) of the principal amount of, all outstanding indebtedness secured by such lien or liens.

That, in case the Company shall propose to acquire any property subject to such a lien, as permitted by this Section, it will prior to, or simultaneously with, the first acquisition of any such property file with the Trustee certificates with respect to such property of the nature prescribed by paragraphs (2), (14), (15) and (16) of Section 4(a) of Article III and Subdivisions (b) and (c) of said Section 4 and Section 3(b) of Article III (except that the certificate of the nature prescribed by Section 3(b) of Article III shall refer only to the net earnings of such property and to the indebtedness secured by such liens to which such property is subject), and the opinion of the nature prescribed by paragraphs (1) to (5), both inclusive, of Section 4(e) of Article III.

SECTION 15. That the Company will not issue, or permit to be issued, any prior lien bonds secured by any funded prior lien in addition to the prior lien bonds secured by such prior lien at the time it became a funded prior lien, other than in lieu of lost, stolen or mutilated bonds or on the exchange for bonds already outstanding of an equal principal amount of other bonds of the same issue and the same series, if any, and of the same maturity.

SECTION 16. That the Company will not issue or permit to be issued, any prior lien bonds secured by any unfunded prior lien in addition to the prior lien bonds secured by such unfunded

prior lien at the time of first acquisition by the Company of property subject thereto (other than in lieu of lost, stolen or mutilated bonds or on the exchange for bonds already outstanding of an equal principal amount of other bonds of the same issue and the same series, if any, and of the same maturity),

(a) except upon the basis of

(1) property additions subject to such unfunded prior lien or prior liens purchased, constructed or otherwise acquired by the Company after the time of the first acquisition by the Company of property subject to such unfunded prior lien, and then only to the extent of seventy per cent. (70%) of the amount of net bondable value of such property additions;

(2) the deposit of cash with the trustee of such prior lien or with the Trustee in an amount equal to the principal amount of the prior lien bonds to be issued, which cash may thereafter be withdrawn only on the basis of (i) property additions purchased, constructed or otherwise acquired by the Company after the time of its first acquisition of any property subject to such unfunded prior lien, in an amount not exceeding seventy per cent. (70%) of the amount of the net bondable value of such property additions, or (ii) the cancellation of prior lien bonds secured by such prior lien in a principal amount equal to the amount of cash withdrawn; or

(3) an equal aggregate principal amount of prior lien bonds secured by such unfunded prior lien, or by another unfunded prior lien which constitutes a lien on all or part of the property subject to such unfunded prior lien prior to the lien thereof, and then or theretofore paid at maturity by the Company or redeemed or purchased by the Company (otherwise than out of funds included in the trust estate or similar funds held by the trustee or other holder of such prior lien or other prior lien) or otherwise canceled;

and

(b) unless the net earnings of the Company available for interest and property retirement appropriations (determined as provided in Article I), for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which the additional prior lien bonds are to be issued, have been, in the aggregate, equal to not less than the greater of twice the amount of the annual interest charges on, or ten per cent. (10%) of the principal amount of, the indebtedness specified in subparagraphs (i), (ii) and (iii) of Subdivision (b) (1) of Section 3 of Article III; provided that, if such application is upon the basis of payment at maturity of prior lien bonds theretofore sold or otherwise disposed of or the redemption or purchase thereof after a date two years prior to the date of their maturity, the provisions of this Subdivision (b) shall apply only to the extent set forth in Subdivision (cc) of this Section 16.

That, in case the Company shall propose to issue any additional prior lien bonds as permitted by this Section, it will, prior to the issue thereof, file with the Trustee

(aa) In the case of the issue of additional prior lien bonds as permitted by Subdivision (a) (1) of this Section, a certificate of the nature prescribed by Section 3(b) of Article III and certificates and opinion of the nature prescribed by Subdivisions (a), (b), (c) and (e) (1) to (5) both inclusive, of Section 4 of Article III (except that such certificates and opinion shall refer to the issue of additional prior lien bonds and to property additions subject to an unfunded prior lien, and except that paragraphs (3) to (10), both inclusive, of the certificate provided by Subdivision (a) of said Section 4 shall be omitted and in lieu thereof appropriate paragraphs shall be inserted relating to the deductions and computations required to be made by the definition of net bondable value of property additions subject to an unfunded prior lien contained in Article I), together with an opinion

of counsel to the effect that the property additions made the basis for the issue of such additional prior lien bonds are subject to the prior lien securing the prior lien bonds prior to the lien hereof.

(bb) In the case of the issue of additional prior lien bonds as permitted by Subdivision (a) (2) of this Section, the certificate of the nature prescribed by Section 3(b) of Article III, except that such certificate shall refer to the issue of additional prior lien bonds rather than additional Bonds, together with evidence satisfactory to the Trustee that cash deposited may be withdrawn only on the basis permitted in Subdivision (a) (2) of this Section.

(cc) In the case of the issue of additional prior lien bonds as permitted by Subdivision (a) (3) of this Section, an officers' certificate stating in substance that no part of the prior lien bonds made the basis for the issue of the additional prior lien bonds have theretofore been made the basis for the issue of additional prior lien bonds or for the release of property or for the payment by the trustee or other holder of the prior lien securing such prior lien bonds of any cash held by it as security for such prior lien bonds and that no part of such prior lien bonds have been purchased, redeemed or paid out of any such cash, and a certificate of the nature prescribed by Section 3(b) of Article III, except that such certificate shall refer to the issue of additional prior lien bonds rather than additional Bonds, provided that, if the issue of additional prior lien bonds is made on the basis of the payment at maturity of outstanding prior lien bonds theretofore sold or otherwise disposed of or the redemption or purchase thereof after a date two years prior to the date of their maturity, such additional prior lien bonds may be authenticated and delivered in an amount equal to the principal amount of all prior lien bonds thus paid, purchased or redeemed without requiring such earnings certificate, upon receipt by the Trustee of an officers' certificate stating in substance that all or substantially all of such additional prior



lien bonds, or the proceeds of the sale thereof, will be applied by the Company for the purpose of purchasing, paying or redeeming said outstanding prior lien bonds or for paying indebtedness incurred by the Company for such purpose, and agreeing in the case of the sale of such additional prior lien bonds that the proceeds thereof shall be forthwith upon receipt thereof deposited with the Trustee or with the trustee or other holder of the prior lien securing said outstanding prior lien bonds, in trust for the purpose of paying said outstanding prior lien bonds or stating that other moneys have been deposited or paid for such purpose.

SECTION 17. That, except as in Article VI otherwise provided, the Company will faithfully perform or cause to be performed all the terms, covenants and conditions to be performed by the mortgagor in any prior lien contained. But nothing contained herein shall be construed to prevent the extension or renewal of any prior lien or any indebtedness secured thereby, including the principal of any outstanding prior lien bonds.

SECTION 18. That the Company will not apply for, and will not obtain,

(a) either

(1) the release from any prior lien of any bondable property, or

(2) the payment to it of any moneys deposited with the trustee or other holder of any prior lien upon the release of any bondable property, or upon payment of the principal of any obligations deposited upon any such release, or upon the release of any of such obligations, or on account of the loss or destruction of any such property,

upon the basis of non-bondable property; or

(b) the payment to it of any moneys deposited with the trustee or other holder of any prior lien upon the release

of any property or upon payment of the principal of any obligations deposited upon any such release, or upon the release of any of such obligations, or on account of the loss or destruction of property, upon the basis of either

(1) property acquired by the Company prior to the date of the application for the release of property with respect to which such cash or obligations were deposited or prior to the loss or destruction, as the case may be, or

(2) the cancellation of prior lien bonds which have never been sold or otherwise disposed of,

unless such moneys are forthwith deposited with the Trustee to be held as a part of the trust estate.

SECTION 19. That the Company will, in case it shall acquire all of the outstanding prior lien bonds secured by any prior lien, (a) cause such prior lien bonds to be canceled and the mortgage or other lien securing such bonds to be discharged, or (b) deposit all such prior lien bonds with the Trustee to be held as a part of the trust estate.

SECTION 20. That upon satisfaction of any funded prior lien

(a) all prior lien bonds secured by other funded prior liens which are then held by the trustee or other holder of such satisfied prior lien shall be canceled or shall be delivered to the Trustee to be held subject to the provisions of Article VI, or to the trustee or other holder of such other funded prior lien or of another funded prior lien to be canceled; and

(b) all moneys then held by the trustee or other holder of such satisfied prior lien, which were deposited with such trustee or other holder as the proceeds of insurance with respect to loss of property occurring after the date of acquisition by the Company of the property subject to such prior lien and all moneys and obligations then held by the trustee or other holder of such satisfied prior lien, which were deposited with the trustee or other holder upon the release of prop-

**Covenants.**

**Article IV, Sections 21, 22 and 23.**

**Redemption.**

**Article V, Section 1.**

112

erty from such prior lien after the date of acquisition by the Company of the property subject to such prior lien or upon the release or payment of any such obligations, shall be delivered to the Trustee to be held as a part of the trust estate or to the trustee or other holder of another prior lien, which is a lien on the property subject to the prior lien being satisfied, junior to the prior lien being satisfied but prior to the lien hereof.

SECTION 21. That the Company will not sell or otherwise dispose of a part (less than substantially all) of the mortgaged property except as provided in Sections 1 and 2 of Article VII, or upon the release thereof as provided in Sections 3, 4, 5 and 6 of Article VII. That the Company will not consolidate or merge with or into, or convey or lease all or substantially all of the mortgaged property as an entirety to, any other corporation except as provided in Article XII.

SECTION 22. That the Company will, subject to the provisions of Article XII, at all times maintain its corporate existence and right to carry on business and duly procure all renewals and extensions thereof, and, subject to the provisions of this Indenture, will diligently maintain, preserve and renew, all the rights, powers, privileges and franchises owned by it.

SECTION 23. That the recitals of fact and statements contained in this Indenture are true.

**ARTICLE V.**

**REDEMPTION OF BONDS.**

SECTION 1. With respect to any particular series of Bonds, the Company may reserve the right to redeem and pay off before maturity all or any part of the Bonds of such series at such time or times and from time to time, and on such terms, as the Board

of Directors may determine and as shall be expressed in the Bonds of such series.

In case the Company shall desire to exercise such right to redeem and pay off all, or, as the case may be, any part of the Bonds, in accordance with the right reserved so to do, it shall give, in the manner provided in the supplemental indenture creating the Bonds of such series and expressed in such Bonds, a notice or notices to the effect that the Company has elected to redeem all the Bonds or all the Bonds of a particular series or a part thereof, as the case may be, on a date therein designated, specifying, in the case of redemption of less than all series, the serial designation of the Bonds to be redeemed, and, in the case of partial redemption of any series, the distinctive numbers of the Bonds to be redeemed (to be stated in any one or more of the following ways—individually, in groups from one number up to another inclusive, or in groups from one number to another inclusive except such as shall have been previously called for redemption or otherwise retired), and in every case stating that on said date there will become and be due and payable upon each Bond so to be redeemed, at the agency of the Company in such city or cities, if any, at which the principal of the Bonds so to be redeemed is payable, the full principal thereof in the case of coupon Bonds and the specified amount of the principal thereof in the case of registered Bonds without coupons, together with the accrued interest to such date, with such premium, if any, as is specified in such Bonds, and that from and after such date interest thereon will cease to accrue. If notice by publication, if required, is duly given, failure to give notice by mail, if required, with respect to such redemption or any defect therein or in the mailing thereof shall not affect the validity of the proceedings for the redemption of any Bonds so to be redeemed.

In case the Company desires to redeem and pay off less than all the outstanding Bonds of any series, it shall, in each such instance, notify the Trustee in writing of its desire so to do and of the aggregate principal amount of the Bonds of such series to be redeemed, and thereupon the Trustee shall draw by lot, in any

**Redemption.**  
**Article V, Sections 2 and 3.**

manner deemed by it proper, from the distinctive numbers of the coupon Bonds of such series which are either outstanding or are reserved unissued for registered Bonds outstanding, the Bonds to be redeemed, and shall notify the Company in writing of the numbers of the Bonds so drawn. The Bonds may be drawn by lot individually or, in the discretion of the Trustee, in groups of Bonds consecutively numbered or both such methods either including or excluding, for the purpose of such grouping, the numbers of Bonds previously called for redemption or otherwise retired. Registered Bonds shall be deemed to have been drawn by lot if and to the extent that the serial numbers of the coupon Bonds reserved therefor are drawn as aforesaid.

SECTION 2. The Bonds designated for redemption or the specified portion thereof shall become due and payable upon the date specified in the notice provided for in Section 1 of this Article as the redemption date at the applicable redemption price at the time. Payment of the redemption price shall be made to the respective bearers of the Bonds designated for redemption, or, if any such Bonds be registered Bonds without coupons or coupon Bonds registered as to principal, to the respective registered owners thereof, upon surrender of such Bonds, at the place stated in the notice of redemption, together with all unmatured coupons appertaining thereto. If there shall be drawn for redemption a portion of the principal amount but less than the entire principal amount of any registered Bond, the Company shall execute and the Trustee shall authenticate and deliver without charge to the holder thereof, at his option, either coupon Bonds or registered Bonds without coupons, of authorized denominations, for the unredeemed balance of the principal amount of such registered Bond.

SECTION 3. On or before the redemption date designated in the notice provided for in Section 1 of this Article, the Company shall deposit with the Trustee an amount of cash sufficient to effect the redemption of the Bonds specified in such notice, or, as authorized by Section 8 of Article VIII, it may direct the Trustee to apply to such purpose, to the extent that they are

available, any moneys held by the Trustee which may be applied pursuant to said Section 8; and from and after the redemption date designated in such notice (such deposit having been made or direction given, as aforesaid), notwithstanding that any Bonds so called for redemption shall not have been surrendered for cancellation, no further interest shall accrue upon the principal of any of the Bonds so called for redemption and all coupons for interest thereon maturing subsequent to such redemption date shall be void. Coupons which have matured on or before such redemption date shall remain payable to bearer upon presentation and surrender thereof in accordance with their terms.

SECTION 4. All Bonds so redeemed at the office of the Company, with all unmatured coupons thereto appertaining, shall be delivered by the Company to the Trustee for cancellation. All Bonds and coupons redeemed and paid under this Article shall forthwith be canceled.

## ARTICLE VI.

### CONCERNING SECURITIES HELD BY THE TRUSTEE.

SECTION 1. All funded prior lien bonds, received uncanceled by the Trustee pursuant to the provisions of this Indenture, shall be held alive by the Trustee as a part of the trust estate for the protection and further security of the Bonds. Each funded prior lien bond, in coupon form, so received shall have all unmatured coupons attached, or shall be accompanied by evidence satisfactory to the Trustee that the discharge of the mortgage or other lien securing such prior lien bonds may be obtained without the production of any coupon or coupons that may be missing. All funded prior lien bonds so received uncanceled shall be stamped by the Trustee with the following words:

"Not negotiable; held in trust under the provisions of the Mortgage and Deed of Trust of Wisconsin Electric Power Company to First Wisconsin Trust Company, as Trustee, dated October 28, 1938."

SECTION 2. Unless and until an event of default hereunder shall occur and be continuing, no payment by way of interest or principal or otherwise of any of the funded prior lien bonds held by the Trustee shall be made or demanded, and the coupons thereto appertaining as they mature shall be canceled by the Trustee and delivered so canceled to the Company, unless the Company shall elect with respect to such prior lien bonds to have such payments made and demanded, in which event the Company shall be entitled to receive all such payments; and all moneys received by the Trustee on account of principal or interest of any funded prior lien bonds, or by reason of the sale or delivery of any such bonds to any sinking fund or analogous fund provided for in the instrument evidencing any mortgage or other lien securing the same, shall be paid over by the Trustee to or upon the order of the Company.

SECTION 3. Unless and until an event of default hereunder shall occur and be continuing, the Trustee, if so directed by an instrument in writing signed by the President or a Vice President and the Treasurer or an Assistant Treasurer of the Company, shall surrender any funded prior lien bonds held alive by it to the trustee of the mortgage or other holder of the lien securing such prior lien bonds for cancellation or to be held alive and uncanceled for the purposes of any sinking fund or analogous fund provided for in the instrument evidencing the mortgage or other lien securing such funded prior lien bonds, but funded prior lien bonds so surrendered shall not be reissued and no prior lien bonds shall be issued under such prior lien in substitution therefor. Funded prior lien bonds shall not be so surrendered unless the Trustee shall have received an opinion of counsel to the effect that the provisions of the instrument evidencing the mortgage or other lien securing such funded prior lien bonds are such that no transfer of ownership or possession of such bonds by the trustee or other holder of such mortgage or other lien is permissible thereunder except to the Trustee to be held subject to the provisions of this Article VI or to the trustee or other holder of a mortgage or other lien securing other funded prior lien bonds for cancellation

or to be held alive and uncanceled under the terms of such other mortgage or lien until such other mortgage or lien shall be canceled, and thereupon to be delivered to the Trustee; that no funded prior lien bonds to be surrendered may be reissued; and that no prior lien bonds may be issued in substitution therefor under the mortgage or other lien securing such funded prior lien bonds to be surrendered.

SECTION 4. Whenever all prior lien bonds and all unmatured coupons appertaining thereto secured by a particular funded prior lien (except any lost, stolen or destroyed bonds as to which the Trustee shall have received the certificate of the trustee or other holder of the mortgage or other instrument securing such bonds to the effect that satisfactory indemnity has been given to it) shall have been deposited with the Trustee or shall be held by the Trustee under any provision of this Indenture or by the trustee or other holder of the mortgage or other lien securing such prior lien bonds, the Trustee shall, at the request of the Company evidenced by a certified resolution and upon receipt of an opinion of counsel to the effect (a) that all the property then subject to such mortgage or other lien, in so far as the property is of the character covered by this Indenture, has been subjected to the lien of this Indenture, and (b) that there are no liens upon the properties subject to the mortgage or other lien securing such prior lien bonds junior to such mortgage or other lien and prior to the lien of this Indenture, cancel or cause to be canceled all prior lien bonds and coupons of such issue so deposited with or held by it (if not previously canceled) and shall deliver the prior lien bonds and coupons so canceled to the trustee or other holder of such funded prior lien and shall cause such mortgage or other lien to be discharged of record. Funded prior lien bonds may also be released pursuant to Section 4 of Article VII.

SECTION 5. All purchase money obligations and all bonds or other obligations issued by a municipality or other governmental subdivision which shall be received by the Trustee pursuant to



Sections 3 or 6(a) of Article VII shall be held as a part of the trust estate. Interest received by the Trustee on such obligations shall, so long as the Company is not in default hereunder to the knowledge of the Trustee, be paid over to the Company. All moneys received by the Trustee as principal of such obligations shall be applied by the Trustee as a part of the trust estate. Such obligations held by the Trustee may be released pursuant to Section 3 of Article VII.

SECTION 6. Unless and until an event of default shall occur and be continuing,

(a) the Company shall be entitled to collect and receive for its own use all interest which may become due and payable upon the bonds of the Railway Company; and the Trustee shall, from time to time upon the written request of the Company, deliver to the Company suitable orders for the payment to it or upon its orders of all such interest, and shall deliver to the Company all coupons appertaining to such Railway Company bonds to which the Company shall be entitled; and the Trustee shall, from time to time upon the written request of the Company, pay over to or upon the order of the Treasurer or an Assistant Treasurer of the Company all sums which may be received by the Trustee representing such interest to which the Company shall be entitled;

(b) the Trustee shall not (except with the consent of the Company or as otherwise authorized by this Indenture), whether at or before or after the maturity thereof, collect, or be entitled to enforce the collection or payment of, the principal or interest of the bonds of the Railway Company or to enforce or exercise any right under the Railway Company mortgage; but the Trustee shall at all times be entitled to receive all amounts paid by the Railway Company on account of principal of the Railway Company bonds held as part of the trust estate, whether at maturity, upon redemption or otherwise. The Trustee shall, upon the written request of the Company, surrender to the Railway Company or to the Trus-

tee under the Railway Company mortgage for cancellation any bonds of the Railway Company which shall have been called for redemption or for purchase by such trustee pursuant to the provisions of the Railway Company mortgage, but only upon receipt by the Trustee of cash in an amount equal to the principal amount of the bonds of the Railway Company so surrendered. All amounts so received by the Trustee shall be held and applied by it as part of the trust estate.

The Company covenants that it will not sell, assign or transfer, and will not mortgage, pledge or otherwise encumber (except hereunder) any coupon or right to interest delivered or assigned to it in respect of the Railway Company bonds held as a part of the trust estate.

SECTION 7. The Trustee, with the written consent of the Company, evidenced by a certified resolution, and without such consent if an event of default shall occur and be continuing, may at any time vote or give consents in respect of the Railway Company bonds held as a part of the trust estate and may take such other action as to the Trustee, in its discretion, shall seem desirable to protect the interests of the Trustee and of the Bondholders in respect of such Railway Company bonds.

In case at any time default should be made in the payment of the principal of, or interest on, the Railway Company bonds or in any of the covenants, terms or conditions of the Railway Company mortgage, or the right shall arise to enforce, by foreclosure or otherwise, the Railway Company mortgage, then, and in any such case, upon the written request of the Company evidenced by a certified resolution, the Trustee, as the holder of such Railway Company bonds, may, in its discretion, exercise any and all rights under the Railway Company mortgage and cause any and all such proceedings as may be approved by counsel to be instituted and prosecuted in some court of competent jurisdiction to enforce the payment of the principal and interest of such Railway Com-

pany bonds and the performance of any and all of the covenants, terms and conditions contained therein and in the Railway Company mortgage, and the foreclosure or other enforcement of the Railway Company mortgage. In case an event of default under this Indenture shall have occurred and be continuing, the Trustee may, in its discretion, without such request, exercise any of such rights and cause such proceedings to be instituted.

## ARTICLE VII.

### POSSESSION, USE AND RELEASE OF PROPERTY.

SECTION 1. Unless an event of default shall have happened and be continuing, the Company shall be suffered and permitted to possess, use and enjoy all the property and appurtenances, franchises and rights conveyed by this Indenture (other than such securities, obligations and moneys as are expressly required to be deposited with the Trustee), and to receive and use the rents, issues, income, products and profits thereof, with power in the ordinary course of business, freely and without let or hindrance on the part of the Trustee or of the Bondholders, to use and consume materials and supplies, deal with choses in action (other than pledged securities), leases (other than leases subject to the lien of this Indenture) and contracts, exercise the rights and powers conferred upon it thereby, alter and repair its buildings and structures, change the position of any of its buildings, structures, plants, poles, wires, conduits or other property whatsoever and replace and renew any of its equipment, machinery or other property, except that the position of none of the mortgaged property may be changed so as to impair the lien of this Indenture thereon unless such property is sold, abandoned or otherwise disposed of as permitted by this Section 1 or Section 2 of this Article VII or released as provided in Sections 3 or 5 of this Article VII.

SECTION 2. The Company may at any time and from time to time, without any release or consent by the Trustee:

Release of Property.  
Article VII, Section 2(a), (b), (c) and (d).

121

(a) Sell or otherwise dispose of, free from the lien of this Indenture, any machinery or equipment, which has become worn out, unserviceable, undesirable or unnecessary for use in the conduct of its business, upon replacing the same with, or substituting for the same, new machinery or equipment, or other property of a value at least equal to the original cost of such things so disposed of, which new machinery, equipment or other property shall without further action become subject to the lien of this Indenture;

(b) Abandon any property, if in the opinion of the Board of Directors the abandonment of such property is desirable in the proper conduct of the business and in the operation of the properties of the Company, or is otherwise in the best interests of the Company;

(c) Modify or amend any lease which shall be a part of the trust estate provided that the Company shall forthwith assign to and mortgage with the Trustee the modified or amended lease, and provided further that if the lease so modified or amended shall have been theretofore made the basis for the issue of additional Bonds or the withdrawal of cash or the reduction of cash under any provision of this Indenture, the modified or amended lease shall comply with the requirements of Subdivision (d) of the definition of property additions contained in Article I.

(d) Surrender or assent to the modification of any franchise, license, authority or permit which it may hold, or under which it may be operating, provided that the Company shall have the right, in the opinion of counsel, under the modified franchise, license, authority or permit, or under a new franchise, license, authority or permit received in exchange in the event of any such surrender, or under some other franchise, license, authority or permit, to conduct the same or an extended business in the same or an extended territory during the same or an extended or unlimited or indeterminate or indefinite period of time. For the pur-

Release of Property.  
Article VII, Sections 2(e), 3(a) and (b).

122

poses of this Subdivision (d) and of any opinion to be rendered under it, any right of any municipality to terminate a permit, license or franchise by purchase, shall not be deemed to abridge or affect its duration; and

(e) Surrender or assent to or procure a modification of any franchise, license, authority or permit under which it operates any of its properties, which it may now or hereafter hold or under which it may now or hereafter operate, if in the opinion of the Board of Directors, it is no longer necessary or desirable in the profitable conduct of the Company's business or in the best interests of the Company to operate such properties or to comply with the terms and provisions of such franchise, license, authority or permit and, if the value and utility generally of all of its properties as an entirety and the value of the security for the Bonds will not thereby be impaired.

SECTION 3. From time to time hereafter the Company may transfer or otherwise dispose of any property (other than prior lien bonds or bonds of the Railway Company) constituting a part of the trust estate, and the Trustee shall release the same from the lien of this Indenture, but only upon receipt by it of:

(a) A certified resolution requesting such release;

(b) Except in the case of the release of obligations theretofore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section, an engineer's certificate stating in substance:

(1) The then fair value to the Company (without regard to any liens thereon), in the opinion of the signers, of the property to be released, which fair value shall not be less than the amount or fair value of the consideration received or to be received by the Company from the sale or other disposition of the property to be released, and a description in reasonable detail of the property to be released;

(2) That such release is, in the opinion of the signers, desirable in the proper conduct of the business of the Company, or is otherwise in the best interests of the Company;

(3) Whether or not any portion of such property is subject to any lien prior to the lien of this Indenture, except permitted liens and judgment liens, and, if so, such lien or liens shall be specified; and

(4) That the Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms and covenants of this Indenture;

(c) In case the fair value of any property (other than obligations theretofore deposited with the Trustee pursuant to paragraphs (1) and (2) of Subdivision (d) of this Section) to be released is shown by the engineer's certificate required by Subdivision (b) of this Section to be more than Five hundred thousand dollars, an independent engineer's certificate stating, in the opinion of the signer, that the proposed release is desirable in the proper conduct of the business of the Company, or is otherwise in the best interests of the Company;

(d) In the case of the release of property, other than obligations of the nature specified in paragraphs (1) and (2) of this Subdivision (d), cash, which shall be received and applied by the Trustee as a part of the trust estate, in an amount at least equal to the amount by which the fair value to the Company of the property to be released, as specified in the engineer's certificate, exceeds the aggregate of:

(1) An amount equal to the aggregate principal amount of obligations secured by purchase money mortgage on the property to be released deposited with the Trustee, accompanied by an opinion of counsel to the

effect that such obligations are valid obligations and that any purchase money mortgage securing the same is sufficient to constitute a valid purchase money lien upon the property to be released subject to no liens other than the liens, if any, existing on such property immediately prior to its release; provided, however, that such purchase money obligations together with all other purchase money obligations which shall have been used to reduce the amount of cash required to be deposited under the provisions of this Section 3 and are then held as part of the trust estate shall not exceed ten per cent. (10%) of the aggregate principal amount of Bonds at the time outstanding under this Indenture;

(2) An amount equal to the fair value in cash of bonds or other interest-bearing obligations, issued pursuant to law, in whole or in part payment for the property to be released, by any municipal corporation or other governmental subdivision possessing taxing power, deposited with the Trustee, provided there shall be filed with the Trustee:

(i) an appraiser's certificate stating the fair value in cash of such bonds or other interest-bearing obligations, and

(ii) an opinion of counsel to the effect that such bonds or other interest-bearing obligations have been issued pursuant to law, that such municipal corporation or other governmental subdivision possesses due taxing power for the servicing and payment of such bonds or other interest-bearing obligations and that such bonds or other interest-bearing obligations are direct and general obligations of such municipal corporation or other governmental subdivision;

and

(3) An amount equal to the principal sum secured by any lien prior to the lien hereof which is a lien solely

on the property to be released; provided that in case such prior lien shall be a funded prior lien, the amount to be deducted pursuant to this paragraph (3) shall be limited to the principal amount of prior lien bonds secured by such funded prior lien which are deposited with the Trustee plus the amount of cash then or theretofore deposited with the Trustee in order to make such prior lien a funded prior lien; and provided, further, there shall be filed with the Trustee an opinion of counsel stating that such lien is a lien solely on the property to be released and provided that concurrently therewith all of the indebtedness secured by such lien and deposited with the Trustee shall be released from the lien hereof pursuant to Section 4 of this Article VII;

or

In the case of the release of obligations of the nature specified in paragraphs (1) and (2) of this Subdivision (d), cash, which shall be received by the Trustee as a part of the trust estate, in an amount equal to the principal amount of such obligations;

and

(e) An opinion of counsel stating, in case the Trustee is requested to release any franchise, that such release will not impair the right of the Company to operate any of its remaining properties.

The amount of cash required to be deposited pursuant to Subdivision (d) of this Section 3 may, at the election of the Company, be reduced by an amount equivalent to the amount of cash which could at the time be withdrawn pursuant to Sections 1 or 2 of Article VIII, by simultaneous compliance with said Section 1 or said Section 2 of Article VIII, as the case may be, except that any certificates required to be filed with the Trustee pursuant to said Sections shall refer to the reduction of cash rather than to the withdrawal of cash.



If the property to be released is subject to any prior lien, the certificate of the trustee or other holder of any such prior lien, that it has received cash or obligations of the nature specified in paragraphs (1) and (2) of Subdivision (d) of this Section 3 in an amount set forth in such certificate, shall (except in cases where all of the property subject to such prior lien is being released) be accepted by the Trustee hereunder to the extent of the amount so received by such other trustee or other holder, in lieu of cash and obligations required by Subdivision (d) of this Section 3 to be delivered to the Trustee upon the release of said property.

SECTION 4. From time to time hereafter the Company may obtain the release of funded prior lien bonds if, but only if, all the property subject to the prior lien securing such funded prior lien bonds shall have been, or is simultaneously being, released from the lien of this Indenture pursuant to Section 3 of this Article VII, and the Trustee shall release the same from the lien hereof, but only upon receipt by it of:

- (a) A certified resolution requesting such release;
- (b) An officers' certificate stating in substance that all of the property subject to the prior lien securing such funded prior lien bonds has been, or is simultaneously being, released from the lien of this Indenture;
- (c) An opinion of counsel to the effect that none of the property of the Company will, upon the granting of such release, be subject to the prior lien securing such funded prior lien bonds; and
- (d) Cash, which shall be received and applied by the Trustee as part of the trust estate, (1) in an amount equal to the aggregate principal amount of all prior lien bonds to be released or (2) if the fair value of the property subject to such prior lien as stated in the certificate filed pursuant to Section 3(b) of this Article, shall be less than the principal amount of all prior lien bonds secured by such prior lien,

cash in an amount equal to such proportion of such fair value as the principal amount of such prior lien bonds to be released bears to the principal amount of all prior lien bonds secured by such prior lien.

SECTION 5. Should any part of the trust estate be taken by the exercise of a power of eminent domain or should any municipality or other governmental subdivision at any time exercise any right which it may have to purchase any part of the trust estate, the Trustee may accept any award therefor, if approved by the Company, as representing its full value, and, at the request of the Company evidenced by a certified resolution, shall execute and deliver a release of property so taken or purchased and shall be fully protected in so doing upon being furnished with an opinion of counsel to the effect that such property has been taken by the exercise of a power of eminent domain or purchased by a municipality or other governmental subdivision in the exercise of a right which it had to purchase the same. In any such proceedings the Trustee may be represented by counsel, who may or may not be of counsel to the Company. The proceeds of all property so taken or purchased shall be paid over to the Trustee hereunder to be held and applied as a part of the trust estate, and to any trustee or other holder of any prior lien, as their respective interests may appear, and shall be deemed to be the proceeds of the release of such property whether or not such property is actually released by the Trustee.

SECTION 6. The Company may obtain the release of Railway Company bonds held by the Trustee as a part of the trust estate and the Trustee shall release the same from the lien of this Indenture

(a) Upon the transfer or other disposition by the Company of all, or from time to time any part, of such Railway Company bonds, but only upon receipt by the Trustee of

(1) A certified resolution requesting the release of Railway Company bonds in the principal amount therein specified;

(2) An independent appraiser's certificate stating, in the opinion of the signer, the then fair value to the Company in cash of the Railway Company bonds to be sold or otherwise disposed of;

(3) An officers' certificate stating that the Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms and covenants of this Indenture; and

(4) Cash, which shall be received and applied by the Trustee as part of the trust estate, in an amount at least equal to the amount by which the fair value as stated in the independent appraiser's certificate provided for in paragraph (2) of this Subdivision (a) exceeds an amount equal to the fair value in cash of bonds or other interest-bearing obligations, issued pursuant to law, in whole or in part payment for the Railway Company bonds to be released, by any municipal corporation or other governmental subdivision possessing taxing power, deposited with the Trustee, provided there shall be filed with the Trustee an appraiser's certificate and opinion of counsel of the nature required by paragraph (2) of Section 3(d) of this Article. Such bonds or other interest-bearing obligations shall be held by the Trustee as a part of the trust estate pursuant to Section 5 of Article VI and may be released pursuant to Section 3 of this Article.

The amount of cash required to be deposited pursuant to this Subdivision (a) may, at the election of the Company, be reduced by an amount of cash which could at the time be withdrawn pursuant to Sections 1, 2 or 4 of Article VIII, by simultaneous compliance with said Section 1 or said Section 2 of said Section 4 of Article VIII, as the case may be, except that any certificate required to be filed with the Trustee pursuant to said Sections shall refer to the reduction of cash rather than to the withdrawal of cash.

(b) In a principal amount equal to the net bondable value of property additions not subject to an unfunded prior lien, but only upon receipt by the Trustee of:

(1) A certified resolution requesting the release of Railway Company bonds in the principal amount therein specified;

(2) The certificates, instruments, opinions, prior lien bonds and cash described in Subdivisions (a) to (f), both inclusive, of Section 4 of Article III; and

(3) An officers' certificate of the nature required by paragraph (3) of Subdivision (a) of this Section.

SECTION 7. In no event shall any purchaser or purchasers in good faith of any property purported to be released hereunder be bound to ascertain the authority of the Trustee to execute the release; or to inquire as to any facts required by the provisions hereof for the exercise of such authority; or to see to the application of the purchase moneys. Nor shall any purchaser of machinery or equipment or tools or implements or materials or supplies be under obligation to ascertain or inquire into the occurrence of the event on which any such sale is hereby authorized.

SECTION 8. The Trustee shall not be required under any of the provisions of this Article VII to release any part of the mortgaged property from the lien hereof at any time when to the knowledge of the Trustee the Company shall be in default hereunder, but notwithstanding any such default the Trustee may release from the lien hereof any part of the mortgaged property, upon compliance by the Company with the other conditions specified in this Article VII in respect thereof, if the Trustee in its discretion shall deem such release for the best interest of the Bondholders; and, in such event, the Trustee shall not be liable for releasing or refusing to release any of the mortgaged property from the lien hereof. In case the trust estate shall be in the possession of one or more receivers lawfully appointed or of a trustee in bankruptcy or reor-

ganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended) or of assignees for the benefit of creditors, the powers by this Article VII conferred upon the Company may be exercised by such receivers, trustees or assignees, with the approval of the Trustee, regardless of whether or not the Company is in default hereunder, and in such event a writing signed by such receivers, trustees or assignees, may be received by the Trustee in lieu of any certified resolution required by the provisions of this Article, and such receivers, trustees or assignees may make any certificate required by the provisions of this Article to be made by an officer or officers of the Company; provided, however, that so long as the trust estate shall be in the possession of any such receiver, trustee or assignee, no reduction shall be made in the amount of cash required to be deposited upon any release on the basis of refundable Bonds. If the Trustee hereunder shall be in possession of the trust estate under any provision of this Indenture, then all such powers by this Article VII conferred upon the Company may be exercised by the Trustee in its discretion.

## ARTICLE VIII.

### APPLICATION OF MONEYS RECEIVED BY THE TRUSTEE.

SECTION 1. Any moneys held by the Trustee as a part of the trust estate (other than moneys received by the Trustee pursuant to Section 5(a) of Article III or on account of judgment liens or in order to make a prior lien a funded prior lien) shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in amount equal to the cost or the fair value to the Company, if the fair value is less than the cost, of gross property additions purchased, constructed or otherwise acquired by the Company during the period specified pursuant to Subdivision (b) (1) of this Section, but only upon the receipt by the Trustee of:

(a) A certified resolution authorizing the application for the withdrawal from the trust estate of cash in the amount therein specified.

(b) An engineer's certificate stating in substance:

(1) The cost to the Company of the gross property additions purchased, constructed or otherwise acquired by the Company during the period specified in such certificate, commencing,

(i) in the case of withdrawal of moneys received by the Trustee pursuant to Sections 3, 4, 5 or 6 of Article VII upon the release of any property (other than obligations deposited pursuant to Sections 3(d) or 6(a) of Article VII) from the lien of this Indenture, on a date not earlier than the date of the application for the release,

(ii) in the case of withdrawal of moneys received by the Trustee upon the payment of principal of obligations deposited pursuant to Sections 3(d) or 6(a) of Article VII, or upon the release of such obligations from the lien of this Indenture, on a date not earlier than the date of the application for the release of the property with respect to which such obligations were deposited,

(iii) in the case of withdrawal of moneys deposited with the Trustee pursuant to Section 6 of Article IV, on the date of the loss or destruction of the property with respect to which such moneys were deposited, and

(iv) in the case of withdrawal of any other moneys which may be withdrawn pursuant to this Section 1, on a date not earlier than the date of the receipt by the Trustee of such moneys.

Whether the fair value to the Company of any particular property addition included in the certificate is less than

the cost to the Company thereof, and, if so, the fair value thereof. Such gross property additions shall be described in the manner provided in Section 4(a) (2) of Article III. If the fair value of any property additions is less than the cost thereof to the Company the fair value shall be used in determining the amount at which the gross property additions described pursuant to the provisions of this paragraph (1) are included in the engineer's certificate.

(2) The amount of cash theretofore withdrawn pursuant to this Section 1 on the basis of such gross property additions and the amount by which cash required to be deposited into the trust estate has been reduced by compliance with this Section 1, which shall be deducted from the aggregate amount stated pursuant to paragraph (1) of this Subdivision (b), of gross property additions available as the basis for the withdrawal of cash pursuant to this Section 1.

(3) Whether the gross property additions are subject to an unfunded prior lien and, if so, the amount of prior lien bonds outstanding thereunder, which amount shall be deducted from the aggregate amount stated pursuant to paragraph (1) of this Subdivision (b).

(4) That the gross property additions described in such certificate are property additions as defined in Article I; that no portion of such gross property additions has theretofore been included in a certificate with respect to net bondable value of property additions filed with the Trustee, or, if included in any such certificate, that an amount equal to the cash to be withdrawn on the basis of such gross property additions has been deducted in such certificate in determining net bondable value; and that the construction or acquisition of such property additions was desirable in the conduct of the business of the Company.

(5) The facts with respect to such property additions specified in paragraphs (12), (13), (14), (15) and (16) of Section 4(a) of Article III.

(c) The certificates, instruments and opinion of counsel of the kind prescribed in, and setting forth the facts with respect to such property additions specified in, Subdivisions (b), (c), (d) and (e) (1) to (6), both inclusive, of Section 4 of Article III.

(d) The prior lien bonds and cash, or in lieu thereof the certificate, prescribed in Section 4(f) and the cash prescribed in Section 4(g) of Article III, except that this Subdivision need not be complied with in case of an application for the withdrawal of cash deposited upon the release of any property subject to an unfunded prior lien or in payment of the principal of, or upon the release of, obligations deposited upon any such release.

No cash (other than cash deposited with the Trustee upon the release of property subject to an unfunded prior lien or in payment of principal of, or upon the release of, obligations deposited with the Trustee upon any such release or with respect to the loss or destruction of property subject to an unfunded prior lien) shall be withdrawn from the trust estate, and no reduction in the amount of cash required by Section 3(d) or 6(a) of Article VII to be deposited with the Trustee upon the release of any property (other than property subject to an unfunded prior lien) shall be made, pursuant to this Section, upon the basis of property additions subject to an unfunded prior lien.

SECTION 2. Any moneys held by the Trustee as part of the trust estate (other than moneys deposited with the Trustee pursuant to Section 5(a) of Article III, or on account of judgment liens, or in order to make a prior lien a funded prior lien) shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in an amount equal to the aggregate principal amount of



Application of Moneys.  
Article VIII, Sections 2(a) and (b) and 3.

134

such of the refundable Bonds as were theretofore issued by the Company.

The Trustee shall pay over such moneys under this Section 2 only upon receipt by it of:

(a) A certified resolution authorizing the application for withdrawal from the trust estate of cash in the amount therein specified; and

(b) An officers' certificate, setting forth the same facts as are required to be stated by Section 6(a) of Article III, except that such certificate shall refer to the withdrawal of cash rather than to the authentication and delivery of additional Bonds and stating that the refundable Bonds made the basis of the application have theretofore been issued by the Company.

In case all or substantially all of the properties of the Company (other than obligations and cash held by the Trustee) shall have been released from the lien hereof, moneys held by the Trustee as part of the trust estate shall be paid over to the Company under this Section only in an amount equivalent to the lesser of (aa) the purchase price paid by the Company for any refundable Bonds purchased by the Company after the date of the deposit of the moneys being withdrawn or (bb) the principal amount of such Bonds; provided that in such case no such payment shall be made which would reduce the amount of cash and principal amount of obligations held by the Trustee (or fair value of such obligations as shown by an appraiser's certificate, which shall be filed with the Trustee, if such fair value shall be less than such principal amount) below the principal amount of Bonds then outstanding hereunder.

SECTION 3. Any moneys received by the Trustee pursuant to Section 5(a) of Article III shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, either:

(a) In an amount equal to seventy per cent. (70%) of the net bondable value of property additions not subject to an unfunded prior lien, but only upon receipt by the Trustee of:

(1) A certified resolution authorizing the application for withdrawal from the trust estate of cash in the amount therein specified; and

(2) The certificates, instruments, opinions, prior lien bonds and cash prescribed in Subdivisions (a) to (g), both inclusive, of Section 4 of Article III;

or

(b) In an amount equal to the aggregate principal amount of refundable Bonds, but only upon receipt by the Trustee of:

(1) A certified resolution authorizing the application for withdrawal from the trust estate of cash in the amount therein specified; and

(2) An officers' certificate setting forth the same facts as are required to be stated pursuant to paragraphs (1), (2), (3) and (4) of Section 6(a) of Article III, except that such certificate shall refer to the withdrawal of cash rather than to the authentication and delivery of additional Bonds.

SECTION 4. Any moneys received by the Trustee pursuant to Section 6(b) of Article VI or Section 6(a) of Article VII shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in an amount equal to the net bondable value of property additions not subject to an unfunded prior lien, but only upon receipt by the Trustee of:

(a) A certified resolution authorizing the application for withdrawal from the trust estate of cash in the amount therein specified; and

Application of Moneys.  
Article VIII, Sections 4(b), 5 and 6.

136

(b) The certificates, instruments, opinions, prior lien bonds and cash described in Subdivisions (a) to (g), both inclusive, of Section 4 of Article III.

SECTION 5. Any moneys received by the Trustee pursuant to Sections 5 or 6(b) of Article VI or Sections 3, 4, 5 or 6(a) of Article VII, which shall not have been paid over to the Company pursuant to other provisions of this Article VIII, shall, at the request of the Company, be credited from time to time to the Company on account of any sinking or analogous fund payment or payments in cash required to be made by the Company, unless the provisions of the supplemental indenture by which such fund is established do not permit such credit or use of such moneys; any Bonds purchased or redeemed pursuant to Section 8 of this Article VIII through the application of moneys received by the Trustee pursuant to Sections 5 or 6 (b) of Article VI or Sections 3, 4, 5 or 6 (a) of Article VII shall, at the request of the Company, be credited from time to time to the Company on account of any sinking or analogous fund payment or payments required to be made by the Company which permit the crediting of Bonds purchased or redeemed by the Company to such payment, unless the provisions of the supplemental indenture by which such fund is established do not permit the credit of Bonds purchased or redeemed with such moneys; in either of said cases the cash so credited and Bonds so purchased or redeemed shall be applied by the Trustee at the same time, to the same extent and in the same manner as if such payments had been made in cash or such Bonds had been delivered or redeemed by the Company pursuant to the provisions of such sinking or analogous fund in discharge or partial discharge of such sinking or analogous fund payments, but only upon receipt by the Trustee of an officers' certificate requesting such credit and application and specifying the sinking or analogous fund payment in respect of which the moneys and Bonds shall be so credited, delivered and applied.

SECTION 6. Any moneys deposited with the Trustee pursuant to any of the provisions of this Indenture on account of judgment

liens and all moneys deposited with the Trustee to make a prior lien a funded prior lien shall be held by the Trustee as a part of the trust estate and applied by the Trustee towards the payment, cancellation and discharge of the respective judgment liens and prior liens with respect to which such moneys were deposited. Any moneys held by the Trustee with respect to particular prior lien bonds shall upon request by the Company, evidenced by certified resolution, be paid over to the trustee or other holder of the prior lien securing such prior lien bonds at the maturity of such prior lien bonds or on the redemption date thereof. Any moneys so held by the Trustee may be paid over to the Company from time to time by the Trustee, but only in the following events:

(a) Whenever the trustee or other holder of the prior lien securing any funded prior lien bonds, shall execute and deliver to the Company an instrument releasing and discharging such prior lien, or whenever any judgment lien shall have been discharged, all moneys deposited with the Trustee pursuant to the provisions of this Indenture on account of the prior lien bonds secured thereby or on account of such judgment lien, as the case may be, and then held by the Trustee shall be paid over by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, but only upon receipt by the Trustee of:

(1) A certified resolution authorizing the application for the withdrawal from the trust estate of cash in the amount therein specified; and

(2) An opinion of counsel to the effect that the instrument of satisfaction executed by the trustee or other holder of the prior lien securing such prior lien bonds is sufficient to discharge such prior lien, and that upon the recording thereof, such prior lien will be discharged of record, or, in case of a judgment lien, that such judgment lien has been discharged.

(b) Whenever prior lien bonds on account of which moneys shall have been deposited with the Trustee shall

Application of Moneys.  
Article VIII, Section 6(b).

138

thereafter be deposited with the Trustee or paid or reduced or ascertained by judicial determination to be invalid, moneys deposited on account of such prior lien bonds shall be paid over by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in an amount equal to the principal amount of such prior lien bonds so deposited, paid or reduced or so ascertained to be invalid, plus an amount equal to any moneys deposited with and held by the Trustee with respect to interest and premium on such prior lien bonds, but only upon receipt by the Trustee of:

(1) A certified resolution authorizing the application for the withdrawal from the trust estate of cash in the amount therein specified;

(2) Either

(i) prior lien bonds of the same issue with respect to which such moneys were deposited (either uncanceled to be held and dealt with by the Trustee in the manner and subject to the provisions of Article VI or canceled at maturity or under the redemption or other provisions of the instrument evidencing the mortgage or other lien securing the same or otherwise); or

(ii) an officers' certificate accompanied by an opinion of counsel to the effect that specified prior lien bonds of the issue with respect to which such moneys were deposited have been paid or reduced or ascertained by judicial determination to be in whole or in part invalid and specifying the amount of payment or reduction or the extent of invalidity, as the case may be;

and

(3) An officers' certificate stating in substance:

(i) That no part of the prior lien bonds made the basis for the application has theretofore been made

the basis for the withdrawal of cash pursuant to this Section 6;

(ii) That no part of the prior lien bonds made the basis for the application has been paid or retired out of moneys received by the trustee or other holder of the prior lien securing such prior lien bonds on account of insurance or partial release or upon the exercise of the power of eminent domain, and that immediately after the withdrawal of cash, application for which is then being made, the amount of cash and prior lien bonds then held by the Trustee hereunder and by the trustee or other holder of the prior lien securing such prior lien bonds will be sufficient to constitute such prior lien a funded prior lien; and

(iii) In case the prior lien bonds delivered to the Trustee pursuant to paragraph (2) of this Subdivision (b) are canceled, that such prior lien bonds were not therefore canceled or surrendered by the Trustee pursuant to Section 3 of Article VI;

(c) Whenever all property subject to a particular funded prior lien and all prior lien bonds secured by such prior lien held by the Trustee have been released from the lien of this Indenture pursuant to Section 3 and Section 4 of Article VII, all moneys then held by the Trustee on account of prior lien bonds secured by such prior lien, shall be paid over to the Company upon compliance with Sections 1 or 2 of this Article VIII.

Prior lien bonds and coupons for the payment or redemption of which moneys shall have been irrevocably deposited with the trustee or other holder of the mortgage or other lien securing such prior lien bonds (whether upon or prior to the maturity or redemption of such prior lien bonds) shall be deemed to have been paid within the meaning of this Section 6, provided that, if such prior lien bonds are to be redeemed prior to the ma-

turity thereof, notice of such redemption shall, according to an opinion of counsel furnished to the Trustee, have been published or otherwise given as required by the mortgage securing such prior lien bonds or provisions satisfactory to the Trustee shall have been made for such notice.

SECTION 7. Any moneys received by the Trustee pursuant to Section 3(d) of Article VII upon the release of any fixed non-bondable property and any moneys received by the Trustee in payment of the principal of obligations deposited with the Trustee pursuant to said Section 3(d) upon the release of any such property, or upon the release of any such obligations, shall be paid over from time to time by the Trustee to or upon the order of the Treasurer or an Assistant Treasurer of the Company, in an amount equal to the lesser of the cost or the fair value to the Company of other fixed non-bondable property acquired by the Company simultaneously with or subsequent to the date of the application for the release with respect to which such cash or obligations were deposited, but only upon receipt by the Trustee of the resolutions, certificates, instruments and opinion of counsel of the kind described in, and setting forth the facts with respect to such property specified in Subdivisions (a), (b) and (c) of Section 1 of this Article VIII, together (in case of withdrawal of cash deposited upon the release of property not subject to an unfunded prior lien) with the prior lien bonds and cash prescribed in Subdivision (d) of said Section 1 except that such certificates, instruments and opinion,

(a) need not state that the property therein described consists of property additions, but in lieu thereof shall state that such property is fixed property; and

(b) shall omit the statement required by paragraphs (2) and (4) of said Section 1(b) and in lieu thereof shall state that no portion of such property has theretofore been included in any certificate filed pursuant to the provisions of this Section 7 and that the construction or acquisition of such property was desirable in the conduct of the business of the Company.

No cash shall be withdrawn from the trust estate pursuant to this Section 7 on the basis of property subject to an unfunded prior lien, unless the cash being withdrawn was deposited upon the release of property subject to an unfunded prior lien.

SECTION 8. Any moneys held by the Trustee as a part of the trust estate (other than moneys held on account of prior lien bonds or judgment liens), and not paid over to the Company pursuant to the other provisions of this Article VIII, shall, at the election and in accordance with the request of the Company, evidenced by a certified resolution, be applied by the Trustee from time to time to the purchase of Bonds outstanding hereunder (of such series and within such limitations as to price as may be specified in the resolution) or to the redemption of such Bonds in accordance with the terms thereof. The Trustee shall make the purchases of the Bonds in such manner as it may deem proper, but at prices not in excess of those specified in the resolution. Any particular moneys in excess of \$25,000 held by the Trustee as a part of the trust estate (other than moneys held on account of prior lien bonds or judgment liens), which shall not have been withdrawn within a period of three years after the date of deposit, shall be applied forthwith by the Trustee to the purchase or redemption, at its election, of Bonds of such series as may be selected by the Trustee in its discretion, but only in case of failure of the Company to deliver to the Trustee, in accordance with this Section 8, a certified resolution specifying a series of Bonds so to be purchased or redeemed. The Trustee shall not, unless the Company shall otherwise authorize, purchase Bonds at a price or prices exceeding the redemption price thereof prevailing at the time and accrued interest to the next interest date, or if not redeemable, at a price or prices exceeding the principal amount thereof and accrued interest to the next interest date. Unless all or substantially all of the properties of the Company (other than obligations and cash held by the Trustee) shall have been released from the lien hereof, the Trustee may purchase from the Company Bonds which have theretofore been issued by the Company and reacquired by it.



Upon the purchase or redemption by the Trustee of any Bonds pursuant to the provisions of this Section:

(a) The Company shall pay to the Trustee all interest up to but not including the day of purchase or redemption, as the case may be, on all Bonds so purchased or redeemed, together with an amount by which the aggregate purchase or redemption price (excluding interest) paid by the Trustee exceeds the aggregate principal amount of the Bonds purchased or redeemed. The cost of all advertising or publishing shall be paid by the Company, or, if paid by the Trustee, shall forthwith be paid to it by the Company upon demand; and

(b) The Trustee shall pay to or upon the order of the Treasurer or an Assistant Treasurer of the Company, from any moneys held by the Trustee as part of the trust estate, an amount equal to the amount by which the aggregate principal amount of Bonds purchased exceeds the aggregate purchase price (less interest) paid by the Trustee for such Bonds.

In case all or substantially all of the properties of the Company (other than obligations and cash held by the Trustee) shall have been released from the lien hereof, no payment shall be made to the Company by the Trustee pursuant to the provisions of this Section until all of the Bonds (other than Bonds held by the Company) shall have been paid, redeemed or otherwise retired.

All Bonds purchased by or delivered to the Trustee under the provisions of this Section 8, together with the unmatured coupons thereto appertaining shall be forthwith canceled upon receipt thereof by the Trustee.

SECTION 9. The Company may, at any time at its election (whether at or prior to the maturity or the redemption date of the particular Bonds), deposit cash with the Trustee for the payment at maturity or on redemption of all the Bonds and coupons or of any part thereof specified by the Company at the

time of such deposit. Any moneys so deposited by the Company shall not be included in the trust estate but shall be received by the Trustee for the account of the holders of the Bonds and coupons to be so paid or redeemed and shall be paid to them, respectively, at maturity or on the redemption date, upon the presentation or surrender of their Bonds and coupons, together, in the case of Bonds called for redemption, with all unmatured coupons appertaining thereto. Upon surrender by the Company from time to time to the Trustee for cancellation prior to such maturity or redemption date, as the case may be, of any of the Bonds, with all unmatured coupons appertaining thereto, against which such deposit shall have been made, the Company shall be entitled to receive from the Trustee the cash held in respect of such Bonds and coupons so surrendered.

Any moneys so deposited with the Trustee by the Company for the payment or redemption of Bonds and coupons and remaining unclaimed by the bearers or registered owners of Bonds or the bearers of the coupons for six years after the date of each such maturity or redemption shall, upon the written request of the Company therefor, be repaid by the Trustee to the Company upon its written receipt therefor, and such bearers or registered owners of the Bonds and holders of the coupons shall thereafter be entitled to look only to the Company for payment thereof. The Trustee, before being required to make any such payment to the Company, may at the expense of the Company cause a notice to be published once in an authorized newspaper in each city in which the Bonds and coupons are payable, stating that such moneys remain unclaimed as aforesaid and that after a date stated therein they will be returned to the Company; but the Trustee shall be under no duty to cause such notice to be published.

**SECTION 10.** Any moneys held by the Trustee as a part of the trust estate, may at the request of the Company, evidenced by a certified resolution, be invested or reinvested by the Trustee in any bonds or other obligations of the United States of America

designated by the Company, and not disapproved by the Trustee, which as to principal and interest constitute direct obligations of the United States of America; but the Trustee shall not be required to make any such investment after it has canceled and discharged the lien of this Indenture in accordance with Article XVI hereof. Until an event of default hereunder shall occur and be continuing, any interest on such bonds, obligations and securities which may be received by the Trustee shall be forthwith paid to the Company. Such bonds, obligations and securities shall be held by the Trustee as a part of the trust estate; but, upon a like request of the Company or at any time when the Trustee in its discretion shall deem such action advisable, the Trustee shall sell all or any designated part of the same and the proceeds of such sale shall be held by the Trustee subject to the same provisions hereof as the cash used by it to purchase the bonds or other obligations so sold. In case the net proceeds (exclusive of interest) realized upon any sale shall amount to less than the amount invested by the Trustee in the purchase of the bonds or other obligations so sold, the Trustee shall within five days after such sale notify the Company in writing thereof and within five days thereafter the Company shall pay to the Trustee the amount of the difference between such purchase price and the amount so realized, and the amounts so paid shall be held by the Trustee in like manner and subject to the same conditions as the proceeds realized upon such sale.

Whenever the Company, upon any application for which provision is made in this Indenture in respect to the withdrawal of cash held by the Trustee, shall become entitled to the payment to it by the Trustee of any moneys theretofore deposited with or then held by the Trustee under this Indenture, the Company shall accept bonds or other obligations held by the Trustee as part of the trust estate pursuant to this Section 10, to the extent that such bonds or other obligations shall be tendered to it by the Trustee in lieu of cash; and such bonds or other obligations shall be accepted in lieu of such cash at the cost thereof to the trust estate.

SECTION 11. Except as otherwise expressly permitted by this Section 11, no cash held by the Trustee as a part of the trust estate shall be paid over to the Company or applied to the purchase or redemption of Bonds pursuant to this Article VIII, if the Company is to the knowledge of the Trustee in default hereunder; and the Company shall furnish to the Trustee, in connection with each application pursuant to this Article VIII, an officers' certificate stating that the Company is not, and by the making or granting of the application will not be, in default in the performance of any of the terms or covenants of this Indenture. In case the trust estate shall be in the possession of one or more receivers lawfully appointed or of a trustee in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended) or of assignees for the benefit of creditors, the powers by this Article VIII conferred upon the Company with respect to the withdrawal of moneys on the basis of property additions, and with respect to the application of moneys held by the Trustee on account of judgment liens or prior lien bonds to the payment, cancellation and discharge of the respective judgment liens or prior liens with respect to which such moneys were deposited, may be exercised by such receivers, trustees or assignees, with the approval of the Trustee, regardless of whether or not the Company is in default hereunder, and in such event a writing signed by such receivers, trustees or assignees, may be received by the Trustee in lieu of any certified resolution required by the provisions of this Article, and such receivers, trustees or assignees may make any certificate required by this Article to be made by an officer or officers of the Company. If the Trustee hereunder shall be in possession of the trust estate under any provision of this Indenture, then all such powers by this Article conferred upon the Company may be exercised by the Trustee in its discretion.

ARTICLE IX.

REMEDIES UPON DEFAULT.

SECTION 1. In case any one or more of the following events (herein called "events of default") shall happen and be continuing, that is to say:

(a) Default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable whether at maturity or otherwise;

(b) Default shall be made in the due and punctual payment of any instalment of interest on any Bond or in the due and punctual payment or satisfaction of any sinking fund obligation, when and as such interest instalment or sinking fund obligation, as the case may be, shall become due and payable as in such Bond or in this Indenture or any indenture supplemental hereto expressed, and such default shall continue for a period of thirty days;

(c) Default shall be made by the Company in the performance or observance of any other of the covenants, agreements or conditions on its part in this Indenture or any indenture supplemental hereto or in the Bonds contained, and such default shall continue for a period of sixty days after written notice to the Company by the Trustee or by not less than fifteen per cent. (15%) of the Bondholders;

(d) Default shall be made in the due and punctual payment of the principal of any of the prior lien bonds, when and as the same shall become due and payable, either at maturity thereof, by declaration or otherwise, or default shall be made in the due and punctual payment of any instalment of interest on any prior lien bonds when and as the same shall become due and payable and such default shall continue beyond the period of grace, if any, specified in the prior lien securing said prior lien bonds;

(e) If the Company shall (1) admit in writing its inability to pay its debts generally as they become due, (2) file a petition in bankruptcy, (3) make an assignment for the benefit of its creditors, (4) consent to the appointment of a receiver of itself or of the whole or any substantial part of the trust estate, or (5) on a petition in bankruptcy filed against the Company, be adjudicated a bankrupt;

(f) If an order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Company, a receiver of the Company or of the whole or any substantial part of the trust estate, and such order, judgment or decree shall not be vacated or set aside or stayed within ninety days from the date of such appointment;

(g) If the Company shall (1) file a petition under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended, or (2) file an answer seeking the relief provided in said Chapter X;

(h) If a court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Company under the provisions of said Chapter X, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of the entry of such order, judgment or decree; or

(i) If, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Company or of the whole or any substantial part of the trust estate, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(j) If final judgment for the payment of money in excess of One hundred thousand dollars shall be rendered against the Company and the Company shall not discharge the same or provide for its discharge in accordance with its terms or

procure a stay of execution thereon within thirty days from the entry thereof or shall not within said period of thirty days, or such longer period during which execution on such judgment shall have been stayed, appeal therefrom or from the order, decree or process upon which or pursuant to which said judgment shall have been granted, passed or entered and cause the execution thereof to be stayed during such appeal;

then, and in each and every such case, the Trustee may, in its discretion and, upon written request of not less than twenty-five per cent. (25%) of the Bondholders, shall by notice in writing delivered to the Company declare the principal amount of all Bonds, if not already due and payable, to be immediately due and payable; and upon any such declaration all Bonds shall become and be immediately due and payable, anything in this Indenture or in any of the Bonds contained to the contrary notwithstanding. This provision, however, is subject to the condition that, if at any time after the principal of the Bonds shall have been so declared due and payable and prior to the date of maturity thereof as stated in the Bonds and before any sale of the trust estate shall have been made, all arrears of interest upon all such Bonds (with interest at the rate specified in such Bonds on any overdue instalment of interest and the expenses of the Trustee, its agents and attorneys) shall either be paid by the Company or be collected and paid out of the trust estate, and all defaults as aforesaid (other than the payment of principal which has been so declared due and payable) shall have been made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, then, and in every such case, a majority of the Bondholders may waive such default and its consequences and rescind such declaration; but no such waiver shall extend to or affect any subsequent default or impair or exhaust any right or power consequent thereon.

SECTION 2. The Company agrees, to the full extent that it may lawfully so agree, that if an event of default shall happen

and be continuing, the Company upon demand of the Trustee shall forthwith surrender to the Trustee the possession of, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to enter and take possession of all of the trust estate and to hold, operate and manage the trust estate and from time to time make all necessary repairs and such alterations, additions, advances and improvements as it may deem wise; and to receive the rents, income and profits thereof and use the same to pay all proper costs and expenses of so taking, holding and managing the trust estate, including reasonable compensation to the Trustee, its agents and attorneys, and all charges of the Trustee hereunder and any taxes and assessments and other charges prior to the lien of this Indenture which the Trustee may deem it wise to pay and all expenses of such repairs, additions and improvements, and, subject to Section 2 of Article IV, to apply the remainder of the moneys so received by it as follows:

(a) in case the principal of any of the Bonds shall not have become due, to the payment of the interest in default, in the order of the maturity of the instalments of such interest, with interest at the rate specified in such Bonds on the overdue instalments thereof; such payments to be made ratably to the persons or parties entitled thereto, without discrimination or preference; or

(b) in case the principal of any of the Bonds shall have become due, by declaration or otherwise, first to the payment of accrued interest in the order of the maturity of the instalments thereof with interest at the rate specified in such Bonds on the overdue instalments thereof, and next to the payment of the principal of all Bonds then due; such payments to be made ratably to the persons or parties entitled thereto, without discrimination or preference.

Whenever all that is due upon such interest instalments and upon the principal of such Bonds, and under any of the terms of this Indenture, shall have been paid and all defaults made good, the Trustee shall surrender possession to the Company,



Remedies Upon Default.  
Article IX, Section 3.

150

its successors or assigns. The same right of entry, however, shall exist upon any subsequent default.

SECTION 3. If an event of default shall happen and be continuing, then, and in every such case, the Trustee may, if and to the extent permitted by law, by such officer or agent as it may appoint, with or without entry, sell the trust estate as an entirety or in such parcels as the holders of a majority of the Bondholders shall in writing request, or, in the absence of such request, as the Trustee may determine, at public auction at some convenient place in the City of Milwaukee, Wisconsin, or at such other place or places as may be required by law, having first published notice of such sale in an authorized newspaper in the City of Milwaukee, Wisconsin, and in an authorized newspaper in each of the cities in which the principal of any of the Bonds is payable, at least once in each of four successive calendar weeks preceding such sale, and having given any other notice which may be required by law; and from time to time to adjourn such sale in its discretion by announcement at the time and place appointed for such sale or for such adjourned sale or sales without further notice except such as may be required by law; and upon such sale to make or deliver to the purchaser or purchasers a good and sufficient deed or deeds for the same. The Trustee and its successors are hereby irrevocably appointed the true and lawful attorneys of the Company, in its name and stead, to make all necessary conveyances, assignments and transfers of property thus sold; and for that purpose it and they may execute all necessary deeds, bills of sale and instruments of assignment and transfer, and may substitute one or more persons, firms or corporations with like power, the Company hereby ratifying and confirming all that its said attorneys, or such substitute or substitutes, shall lawfully do by virtue hereof. Nevertheless, if so requested by the Trustee or by any purchaser, the Company shall ratify and confirm any such sale or transfer by executing and delivering to the Trustee or to such purchaser or purchasers all proper conveyances, assignments, instruments of transfer, and releases as may be designated in any such request.

The provisions of this Article IX are subject to the condition that none of the Railway Company bonds shall, in the event of the happening and continuing of an event of default, be sold or become the property of the holders of the Bonds, either directly or through a trustee for their benefit, except at or through public sale, notice whereof shall be published in an authorized newspaper at the place of sale once a week for not less than three successive weeks prior to such sale and that such sale shall be made at a price or prices to be approved by the Public Service Commission of Wisconsin.

SECTION 4. If an event of default shall happen and be continuing, then, and in every such case, the Trustee may in its discretion, and shall, at the request in writing of not less than twenty-five per cent. (25%) of the Bondholders and upon being indemnified to its satisfaction, proceed by suit or suits at law or in equity or by any other appropriate remedy to enforce payment of the Bonds and to foreclose this mortgage and to sell the trust estate under a judgment or decree of a court or courts of competent jurisdiction, or by the enforcement of any other appropriate legal or equitable remedy as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce any of its rights or any of the rights of the Bondholders.

SECTION 5. Upon any sale being made either under the power of sale hereby given or under judgment or decree in any judicial proceedings for foreclosure or otherwise for the enforcement of this Indenture, the principal of all Bonds, if not previously due, and the interest accrued thereon, shall at once become and be immediately due and payable.

SECTION 6. Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, the whole of the trust estate shall be sold in one parcel as an entirety, unless such sale as an entirety, in the judgment of the Trustee, shall be impracticable by reason of some statute or other cause, or unless a majority of the Bondholders shall in writing request the Trustee

tee to cause the trust estate to be sold in parcels, in which case the sale shall be made in such parcels and in such order as may be specified in such request, but, if not so specified, as the Trustee in its discretion shall deem most expedient in the interest of the Bondholders. The Company, to the full extent that it may lawfully do so, for itself, and for all who may claim through or under it, hereby expressly waives and releases all right to have the trust estate or any part thereof marshalled upon any foreclosure, sale or other enforcement hereof, and the Trustee, or any court in which the foreclosure of this Indenture or the administration of the trust hereby created is sought, shall have the right as aforesaid to sell the entire trust estate as a whole in a single parcel.

Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, any Bondholder or Bondholders or the Trustee may bid for and purchase the mortgaged property, and upon compliance with the terms of sale, may hold, retain and possess and dispose of such property in their or its own absolute right without further accountability; and any purchaser at any such sale may, in paying the purchase money, turn in any of the Bonds and coupons in lieu of cash to the amount which shall, upon distribution of the net proceeds of such sale, be payable thereon, subject, however, to the provisions with respect to extended, pledged and transferred coupons contained in Section 2 of Article IV. Said Bonds and coupons, in case the amount so payable thereon shall be less than the amount due thereon, shall be returned to the holders thereof after being properly stamped to show partial payment.

Upon any sale, whether made under the power of sale hereby given or by virtue of judicial proceedings, the receipt of the Trustee, or of the officer making a sale under judicial proceedings, shall be a sufficient discharge to the purchaser or purchasers at any sale for his or their purchase money, and such purchaser or purchasers, his or their assigns or personal representative, shall not, after paying such purchase money and receiving such receipt of the Trustee or of such officer therefor, be obliged to see to the

application of such purchase money, or be in any wise answerable for any loss, misapplication or non-application thereof.

Any such sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Company, in and to the property sold, and shall be a perpetual bar both at law and in equity, against the Company, its successors and assigns, and against any and all persons claiming or to claim the property sold or any part thereof from, through or under the Company, its successors or assigns.

SECTION 7. The proceeds of any sale, whether made under any power of sale herein granted or pursuant to judicial proceedings, together with any other sums which then may be held by the Trustee under any of the provisions of this Indenture as part of the trust estate, shall be applied as follows:

*First:* To the payment of the costs and expenses of such sale, including a reasonable compensation to the Trustee, its agents, attorneys and counsel, and of all necessary or proper expenses, liabilities and advances made or incurred by the Trustee under this Indenture, and to the payment of all taxes, assessments or liens superior to the lien of this Indenture, except any taxes, assessments or other superior liens subject to which such sale shall have been made;

*Second:* To the payment of the whole amount then owing or unpaid upon the Bonds for principal and interest, with interest at the rate specified in such Bonds on overdue principal and overdue instalments of interest, and, in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon the Bonds, then to the payment of such principal and interest ratably, without preference or priority of principal over interest, or of interest over principal, or of any instalment of interest over any other instalment of interest, subject, however, to Section 2 of Article IV. Such payments shall be made on the date fixed therefor by the Trustee, upon presentation of the several Bonds and

coupons and stamping thereon the amount paid, if such Bonds be only partly paid, and upon surrender and cancellation thereof if fully paid; and

*Third:* All surplus then remaining to the Company, its successors or assigns, or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.

SECTION 8. In case

(a) default shall be made in the payment of any instalment of interest on any Bond, when and as the same shall become due and payable, and such default shall have continued for a period of thirty days; or

(b) default shall be made in the payment of the principal of any Bond, when the same shall have become due and payable, whether at maturity thereof or by declaration as authorized in Section 1 of this Article, or upon a sale as provided in Section 5 of this Article, or otherwise;

then, upon demand of the Trustee, the Company will pay to the Trustee, for the benefit of the holders of the Bonds and coupons, the whole amount then due and payable on all such Bonds and coupons, for interest or principal, or both, as the case may be, with interest at the rate specified in such Bonds upon the overdue principal and the overdue instalments of interest, and, in case the Company shall fail to pay the same forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, shall be entitled to recover judgment against the Company for the whole amount so due and unpaid.

The Trustee shall, if permitted by law, be entitled to recover judgment as aforesaid either before or after or during the pendency of any proceedings for the enforcement of the lien of this Indenture upon the trust estate, and in the case of a sale of the trust estate and of the application of the proceeds of sale to the payment of the indebtedness hereby secured, the Trustee, in its

own name and as trustee of an express trust, shall be entitled to enforce payment of and to receive all amounts then remaining due and unpaid upon any and all of the Bonds and coupons, for the benefit of the holders thereof, and shall be entitled to recover judgment for any portion of the indebtedness remaining unpaid, with interest, as aforesaid. No recovery of any such judgment by the Trustee, and no levy of any execution under any such judgment upon the trust estate or any part thereof, or upon any other property, shall in any manner or to any extent affect the lien of this Indenture upon the trust estate or any part thereof, or any rights, powers or remedies of the Trustee hereunder, or any lien, rights, powers or remedies of the holders of the Bonds, but such lien, rights, powers and remedies shall continue unimpaired as before.

Any moneys collected by the Trustee under this Section shall be applied by the Trustee towards payment of the amounts then due and unpaid upon such Bonds and coupons in respect whereof such moneys shall have been collected, ratably and without any preference or priority of any kind (except as provided in Section 2 of Article IV), according to the amounts due and payable upon such Bonds and coupons, respectively, at the date fixed by the Trustee for the distribution of such moneys, upon presentation of the several Bonds and coupons and stamping such payment thereon, if partly paid, and upon surrender and cancellation thereof, if fully paid.

SECTION 9. If an event of default shall happen and be continuing and upon filing a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders, the Trustee as a matter of right shall, to the extent permitted by law, be entitled to the appointment of a receiver or receivers of the trust estate and of the income, rents, issues and profits thereof pending such proceedings, with such powers as the court making such appointment shall confer, but notwithstanding the appointment of any receiver the Trustee shall be entitled to retain possession and control of any property

deposited or pledged with it hereunder or agreed or provided to be delivered or deposited or pledged with it hereunder.

SECTION 10. The Company agrees, to the full extent that it may lawfully so agree, that in case of a default on its part, as aforesaid, neither the Company nor any one claiming through or under it shall or will set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force in any locality where any property subject to the lien hereof may be situated, in order to prevent or hinder the enforcement or foreclosure of this Indenture, the absolute sale of the trust estate or any portion thereof, or the final and absolute putting into possession thereof, immediately after such sale, of the purchaser or purchasers thereat, and the Company, to the full extent that it may lawfully do so, for itself, and all who may claim through or under it, hereby waives the benefit of all such laws.

SECTION 11. Anything in this Indenture to the contrary notwithstanding, a majority of the Bondholders shall have the right, by an instrument in writing executed and delivered to the Trustee, to direct the manner and place of conducting all proceedings to be taken for any sale of the trust estate, or any portion thereof, or for the foreclosure of this Indenture, or for the appointment of a receiver, or any other proceedings hereunder; but none of the Bondholders shall have any right or power to involve the Trustee in any personal liability of any kind to anybody without first and from time to time indemnifying it to its satisfaction.

SECTION 12. No holder of any Bond or coupon shall have the right to institute any suit, action or proceeding in equity or at law for the foreclosure of this Indenture, or for the execution of any trust or power hereof, or for the appointment of a receiver, or for the enforcement of any other remedy under or upon this Indenture, unless such holder previously shall have given to the Trustee written notice of some existing default and of the continuance thereof, as hereinbefore provided, nor

unless also, twenty-five per cent. (25%) of the Bondholders shall have made written request upon the Trustee and shall have afforded to it a reasonable opportunity, either to proceed to exercise the powers hereinbefore granted, or to institute such action, suit or proceeding in its own name, nor, unless, also, such holder or holders shall have offered to the Trustee security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are hereby declared, in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Indenture and to any action or cause of action for foreclosure or for the appointment of a receiver, or for any other remedy hereunder; it being understood and intended that no one or more holders of Bonds or coupons shall have any right in any manner whatever hereunder or under the Bonds or coupons by his or their action to affect, disturb or prejudice the lien of this Indenture or to enforce any right hereunder, except in the manner herein provided, and that all proceedings hereunder, at law or in equity, shall be instituted, had and maintained in the manner herein provided and for the ratable benefit of all holders of such Bonds and coupons. Nothing herein contained shall, however, affect or impair the right of any Bondholder, which is absolute and unconditional, to enforce the payment of the principal and interest of his Bonds at and after the maturity of such principal or interest, or the obligation of the Company, which is also absolute and unconditional, to pay the principal of and interest on each of the Bonds to the respective holders thereof at the time and place in the Bonds and coupons expressed.

SECTION 13. In case the Trustee shall have proceeded to enforce any right under this Indenture by foreclosure, entry or otherwise and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then, and in every such case, the Com-



pany and the Trustee shall be restored to their former positions and rights hereunder in respect to the trust estate, and all rights, remedies and powers of the Trustee shall continue as though no such proceedings had been taken.

SECTION 14. All rights of action under this Indenture, or under any of the Bonds, enforceable by the Trustee, may be enforced by the Trustee without the possession of any of such Bonds or the coupons thereunto belonging, or the production thereof on the trial or other proceedings relative thereto, and any such suit or proceedings instituted by the Trustee shall be brought in its own name for the ratable benefit of the holders of the Bonds and coupons, subject to the provisions of this Indenture.

SECTION 15. The Trustee shall be entitled and empowered either in its own name or as trustee of an express trust, or as attorney-in-fact for the holders of the Bonds and the holders of the coupons, or in any one or more of such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claims of the Trustee and of the holders of the Bonds and of the coupons allowed in any equity receivership, insolvency, bankruptcy, liquidation, readjustment, reorganization or other similar proceedings relative to the Company or its creditors or affecting its property. The Trustee is hereby irrevocably appointed (and the successive respective holders of the Bonds and of the coupons by taking and holding the same shall be conclusively deemed to have so appointed the Trustee) the true and lawful attorney-in-fact of the respective holders of the Bonds and of the coupons, with authority to make and file in the respective names of the holders of the Bonds or of the coupons, or on behalf of the holders of the Bonds or of the coupons as a class, subject to deduction from any such claims of the amounts of any claims filed by any of the holders of the Bonds or of the coupons themselves, any proof of debt, amendment of proof of debt, claims, petition or other documents in any such proceedings and to receive

payment of any sums becoming distributable on account thereof, and to execute any other papers and documents and to do and perform any and all acts and things for and on behalf of such holders of the Bonds and of the coupons, as may be necessary or advisable in the opinion of the Trustee in order to have the respective claims of the Trustee and of the holders of the Bonds and of the coupons against the Company or its property allowed in any such proceeding, and to receive payment of or on account of such claims; provided, however, that nothing contained in this Indenture shall be deemed to give to the Trustee any right to accept or consent to any plan of reorganization or otherwise by action of any character in any such proceeding to waive or change in any way any right of any Bondholder.

SECTION 16. No delay or omission of the Trustee or of the Bondholders to exercise any right or power accruing upon any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein; and every right and power given by this Article to the Trustee may be exercised from time to time and as often as may be deemed expedient by the Trustee.

SECTION 17. No Bonds owned or held by, for the account of or for the benefit of, the Company (other than Bonds pledged to secure any obligation) shall be deemed outstanding for the purpose of any calculation of outstanding Bonds provided for in this Article IX or any payment or distribution provided for in this Article IX. Bonds owned or held by, for the account of or the benefit of, the Company, which have been pledged to secure an obligation, shall be deemed outstanding for the purpose of any calculation of outstanding Bonds provided for in this Article IX and for the purpose of any payment or distribution provided for in this Article IX.

ARTICLE X.

EVIDENCE OF RIGHTS OF BONDHOLDERS.

Any demand, request, consent or other instrument, which this Indenture may require or permit to be signed and executed by the Bondholders, may be in any number of concurrent instruments of similar tenor and may be signed or executed by such Bondholders in person or by attorney appointed in writing. Proof of the execution of any such demand, request, consent or other instrument, or of a writing appointing any such attorney, or of the holding by any person of the Bonds or coupons, shall be sufficient for any purpose of this Indenture if made in the following manner:

(a) The fact and date of the execution by any person of such demand, request, consent or other instrument or writing may be proved by the certificate of any notary public, or other officer authorized to take acknowledgments of deeds to be recorded in any state, that the person signing the same acknowledged to him the execution thereof, or by an affidavit of a witness of such execution;

(b) The amount of Bonds transferable by delivery held by any person executing such demand, request, consent or other instrument as a Bondholder, and the issue and serial numbers thereof, held by such person, and the date of his holding the same, may be proved by a certificate of ownership executed by such person if such person is an insurance company or, if such person is not an insurance company, by a certificate executed by any trust company, bank, banker or other depositary wheresoever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned such person had on deposit with such depositary the Bonds described in such certificate. The Trustee may assume the continuance of any such ownership unless and until it receives proof, satisfactory to it, to the contrary.

The Trustee may nevertheless in its discretion require further proof in cases where it deems further proof desirable. The ownership of coupon Bonds registered as to principal and of registered Bonds without coupons shall be proved by the registry books.

The Trustee shall not be bound to recognize any person as a Bondholder unless and until his title to the Bonds held by him is proved in the manner in this Article provided.

Subject to the provisions of Article XV, any demand, request or consent of the holder of any Bond shall bind all future holders of the same Bond in respect of anything done or suffered by the Company or Trustee in pursuance thereof.

#### ARTICLE XI.

##### IMMUNITY OF INCORPORATORS, STOCKHOLDERS, OFFICERS AND DIRECTORS.

No recourse shall be had for the payment of the principal of, or the interest on, any Bond, or for any claim based thereon or on this Indenture or any indenture supplemental hereto, against any incorporator or against any stockholder, director or officer, past, present or future, of the Company, or of any predecessor or successor corporation, as such, either directly or through the Company or any such predecessor or successor corporation, whether by virtue of any constitution, statute or rule of law or by the enforcement of any assessment or penalty or otherwise, all such liability, whether at common law, in equity, by any constitution, statute or otherwise, of incorporators, stockholders, directors or officers being released as a condition of and consideration for the execution of this Indenture and of the issue of the Bonds and coupons.

ARTICLE XII.

CONSOLIDATION, MERGER AND SALE.

SECTION 1. Nothing in this Indenture contained, or in any Bond secured hereby, shall prevent the consolidation with the Company or the merger into the Company of any other corporation or prevent any merger of the Company into any other corporation or prevent the sale or lease by the Company of its property as an entirety or substantially as an entirety upon the terms hereinafter set forth; provided that:

(a) any such consolidation or merger or sale or lease shall be on such terms as not to impair the lien and security of this Indenture upon any part of the trust estate or any of the rights and powers of the Trustee or of the holders of the Bonds;

(b) in case of any such consolidation, merger into another corporation or sale:

(1) the principal amount of indebtedness which is outstanding immediately after such consolidation, merger or sale and which will be secured by a lien or liens on the properties of such other corporation, other than a lien or liens either junior to the lien of this Indenture or constituting funded prior liens, shall not exceed seventy per cent. (70%) of the fair value of the property of the nature of property additions then owned by such other corporation, without limitation as to the date of acquisition, as stated in an independent engineer's certificate to be filed with the Trustee prior to or simultaneously with such consolidation, merger or sale, or the cost to such other corporation of such properties, if such cost is lower; and

(2) the net earnings of such other corporation available for interest and property retirement appropriations

(determined in the manner provided in Article I) for any twelve consecutive calendar months during the period of fifteen calendar months immediately preceding the first day of the month in which such consolidation, merger or sale is to be made, shall have amounted in the aggregate to at least the greater of twice the amount of the annual interest charges on, or ten per cent. (10%) of the principal amount of, (i) all indebtedness secured by such liens on the properties of such other corporation which will be outstanding immediately after such consolidation, merger or sale, and (ii) all other indebtedness of such other corporation maturing more than one year from the date of creation thereof which will be outstanding immediately after such consolidation, merger or sale, in case such other corporation shall not, simultaneously with such consolidation, merger or sale, execute and deliver to the Trustee and cause to be recorded a supplemental indenture subjecting to the lien of the Indenture all property and franchises then owned and which may thereafter be acquired by such successor corporation (other than property of the character described in the granting clauses hereof as excepted property) ;

(c) upon any such consolidation, merger or sale, the due and punctual payment of the principal and interest of all Bonds at the time outstanding according to their tenor, and, subject to the provisions of Section 3 of this Article, the due and punctual performance and observance of all the covenants and conditions of this Indenture shall, by supplemental indenture and as a condition of any such consolidation or merger or as a consideration for any such sale, be expressly assumed by the successor corporation formed by or resulting from any such merger or consolidation or to which such sale shall have been made; and

(d) any such lease shall be made expressly subject to immediate termination by the Trustee at any time when

any event of default, as specified in Section 1 of Article IX, shall have happened and be continuing, and also by the purchaser of the property so leased at any sale thereof hereunder, whether such sale be made under the power of sale hereby conferred or under judicial proceedings.

SECTION 2. Every successor corporation resulting from a consolidation of the Company with another corporation or a merger of the Company into another corporation or the sale by the Company of all or substantially all of its property as an entirety to another corporation, all on the terms set forth in Section 1 of this Article XII, shall upon executing, acknowledging and delivering to the Trustee, and causing to be recorded and filed, as required by Section 10 of Article IV, an indenture supplemental hereto, as provided in Section 1 of this Article, in form satisfactory to the Trustee, succeed to and be substituted for the Company with the same effect as if it had been named herein as the party of the first part. Such successor corporation may thereupon cause to be signed, either in its own name or in the name of the Company, with such suitable reference, if any, to such consolidation, merger or sale as may be required by the Trustee, any or all of the Bonds which shall not theretofore have been signed by the Company and authenticated by the Trustee; and upon the written order of such successor corporation in lieu of the Company, and subject to the terms, conditions and restrictions herein prescribed with respect to the authentication and delivery of Bonds, the Trustee shall authenticate and deliver any and all Bonds which shall have been previously signed by the proper officers of the Company and delivered to the Trustee for authentication and any of such Bonds which such successor corporation shall thereafter, in accordance with the provisions of this Indenture, cause to be signed and delivered to the Trustee for that purpose. As a condition precedent to the execution by such successor corporation and the authentication and delivery by the Trustee of any additional Bonds other than upon the basis of the retirement of Bonds or to the withdrawal upon the basis of property additions of any cash deposited with the Trustee as the

basis for the authentication and delivery of additional Bonds, the successor corporation shall subject all of the properties and franchises then owned or thereafter acquired by it (except properties of the nature specifically excepted from the lien hereof) to the lien of this Indenture; and in case of the exercise of any other privilege with respect to property additions conferred upon the Company by this Indenture, the successor corporation shall subject all property additions which are made the basis for the exercise of such privilege to the lien of this Indenture; in each case with similar force, effect and standing as if the Company had itself acquired or constructed such property additions and had not been consolidated with or merged into such successor corporation or had not sold the property of the Company as an entirety to such successor corporation. All Bonds so authenticated and delivered shall in all respects have the same rank and security as the Bonds theretofore or thereafter authenticated and delivered in accordance with the terms of this Indenture.

The Trustee may receive the opinion of counsel as conclusive evidence that any supplemental indenture complies with the foregoing conditions and provisions of this Section.

SECTION 3. No consolidation or merger of the Company into another corporation and no conveyance of all or substantially all of the assets of the Company to another corporation shall or is intended to subject to the lien of this Indenture any or all of the property or franchises of the successor corporation formed upon such consolidation or merger or to which such sale shall have been made, except as hereinafter in this Section 3 provided, unless the successor corporation, in its discretion, shall subject the same to the lien hereof or unless the successor corporation shall exercise the privilege of obtaining the authentication and delivery of additional Bonds pursuant to Sections 4 or 5 of Article III or the withdrawal, pursuant to Section 3(a) of Article VIII, of moneys deposited with the Trustee pursuant to Section 5(a) of Article III; but the foregoing provisions of this Section 3 notwithstanding, this Indenture shall, after such consolidation, merger or sale constitute a lien of the rank herein provided upon all prop-



**The Trustee.**  
**Article XIII, Section 1.**

166

erties and franchises acquired by such successor corporation from the Company, which were subject to the lien hereof immediately prior to such consolidation, merger or sale and upon all additions, extensions, improvements, repairs and replacements to or about the plants or properties included in the trust estate immediately prior to such merger, consolidation or sale, appurtenant to the trust estate as so constituted (as distinguished from the additions, extensions, improvements, repairs and replacements to or about the plants or properties appurtenant to the plants or properties of the successor corporation and additional plants or properties thereafter acquired by the successor corporation upon which the Indenture need not constitute a lien). Nothing contained in this Article XII, however, shall affect or lessen the extent of the lien of this Indenture upon the property of the Company hereafter acquired, by reason of the acquisition by the Company of all or substantially all of the property of another corporation.

**ARTICLE XIII.**

**THE TRUSTEE.**

**SECTION 1.** The Trustee shall not be under any obligation to institute, conduct or defend any litigation hereunder or in relation hereto or to take any action towards the execution or enforcement of the trusts hereby created, which, in its opinion, will be likely to involve it in expense or liability, unless, if required by the Trustee, one or more of the holders of the Bonds shall deposit his Bond or Bonds with the Trustee and shall, as often as required by the Trustee, furnish security and indemnity satisfactory to the Trustee against such expense or liability. Nor shall the Trustee be required to take notice of any default hereunder (other than a default on the part of the Company in any payment required by this Indenture or any supplemental indenture to be made to the Trustee on or before a specified date, or in the delivery to the Trustee of any certificate or statement or securities required by

this Indenture or any supplemental indenture to be made on or before a specified date, or in any payment or performance of any act called for or required by any certificate filed with the Trustee) unless notified in writing of such default by at least fifteen per cent. (15%) of the Bondholders.

SECTION 2. The Trustee shall be entitled to reasonable compensation for all services rendered by it in the execution of the trusts hereby created, which compensation, as well as all reasonable expenses necessarily incurred and disbursements actually made hereunder, including abstracts of title and continuations thereof and counsel fees, the Company agrees to pay, and the Trustee shall have a lien on the mortgaged property and proceeds therefrom, for the payment of its compensation and reasonable expenses incurred and disbursements made hereunder prior to the payment of any other sum hereby secured. The Trustee shall not be answerable for the default, omission, mistake or misconduct of any agent or attorney selected by it, if such person shall have been selected with reasonable care. Nor shall the Trustee be liable for anything whatever in connection with this trust, except for its own wilful misconduct or negligence. The Trustee shall not be responsible for the validity, execution, filing or recording of this Indenture, or of any indenture supplemental thereto or for continuing the lien thereof, nor for the recitals herein or in the Bonds contained—(such recitals being made solely by the Company)—nor for the value or extent of the security afforded hereby.

The Trustee shall be protected and held harmless in acting upon any notice, consent, certificate, bond or other instrument or paper believed by it to be genuine and to have been executed by the proper party. Upon any application for the authentication and delivery of Bonds or for the payment of any moneys held by the Trustee or for the execution of any release, the resolutions, certificates, statements, opinions, reports and orders required by any of the provisions of this Indenture to be delivered to the Trustee as a condition of the granting of such application may be received by the Trustee as conclusive evidence of any fact

or matter therein set forth and shall be full warrant, authority and protection to the Trustee acting on the faith thereof, not only with respect to the facts but also with respect to the opinions therein set forth; and before granting any such application the Trustee shall not be bound to make any further investigation into the matters stated in any such resolution, certificate, statement, opinion, report or order, unless requested in writing so to do by not less than ten per cent. (10%) of the Bondholders and furnished with adequate security and indemnity against the costs and expenses of such examination; but it may do so. The Trustee shall be entitled to receive as conclusive proof of any fact or matter required to be ascertained by it hereunder, unless otherwise specifically required herein, an officers' certificate. The Trustee may advise with counsel and the opinion of such counsel, and any such certificate, or any other evidence, prescribed by this Indenture, which the Trustee may accept, shall be a full protection and justification for anything suffered or done by it in good faith in reliance thereupon. The Trustee shall not be accountable for the use or application by the Company of any Bonds authenticated and delivered hereunder or of the proceeds of such Bonds, or for the use or application of any moneys paid over by it or any property released by it from the lien hereof or to the transfer of which it has consented, in accordance with any provisions of this Indenture. The Trustee will allow and credit to the Company upon any moneys which it may at any time receive under any of the provisions of this Indenture interest at the rate allowed at the same time by the Trustee on other deposits of a similar nature and will pay over such interest to the Company from time to time so long as the Company is not to the knowledge of the Trustee in default hereunder.

SECTION 3. Any successor, by merger, consolidation or otherwise, to substantially all the business and assets of the Trustee shall succeed to the rights and obligations of the Trustee hereunder and shall be the Trustee hereunder. The Trustee may resign and be discharged from the trusts hereby created by giving not less than four weeks' prior written notice thereof

to the Company and by publishing such notice at least once a week, for four successive calendar weeks, in an authorized newspaper in the City of Milwaukee, Wisconsin, and in an authorized newspaper in the Borough of Manhattan, The City of New York, and by due execution of the instruments and the assignment, transfer and delivery of all property and moneys held by it as Trustee as herein required. But the publishing of such notice of resignation need not be made if consent to such resignation shall have been given in writing by the holders of all Bonds at the time outstanding. The Trustee may be removed at any time by the holders of a majority in principal amount of the Bonds, by an instrument or concurrent instruments in writing, signed in duplicate by such Bondholders, of which one copy shall be filed with the Company and the other with the Trustee for the time being. In case at any time the Trustee shall resign, or shall be removed or be dissolved or otherwise shall become incapable of acting, or in case control of the Trustee or of its officers shall be taken over by any public officer or officers, a successor trustee may be appointed by a majority of the Bondholders, by an instrument or concurrent instruments in writing signed in duplicate by such Bondholders, and filed, one copy with the Company and the other with the successor trustee; but until a successor trustee shall be so appointed by the Bondholders as herein authorized, the Company by order of its Board of Directors or, in case the trust estate shall be in the possession of one or more receivers lawfully appointed, trustees in bankruptcy or reorganization proceedings (including a trustee or trustees appointed under the provisions of Chapter X of An Act to establish a uniform system of bankruptcy throughout the United States, approved July 1, 1898, as amended), or assignees for the benefit of creditors, such receivers, trustees or assignees, by an instrument in writing, may in any such case appoint a successor trustee. After any such appointment other than by the Bondholders, the Company, such receivers, trustees or assignees, as the case may be, which made such appointment shall forthwith cause notice thereof to be published once in each of two

**The Trustee.**  
**Article XIII, Section 3.**

170

successive calendar weeks in an authorized newspaper in the City of Milwaukee, Wisconsin, and in an authorized newspaper in the Borough of Manhattan, The City of New York, but any successor trustee so appointed shall, immediately and without further act, be superseded by a successor trustee appointed by the Bondholders in the manner above prescribed, if such appointment be made prior to the expiration of six months from the date of the first publication of such notice by the Company, such receivers, trustees or assignees. Every such successor trustee hereunder shall always be a bank or trust company or a national banking association in good standing, having its principal office in the City of Milwaukee, Wisconsin, or in the Borough of Manhattan, The City of New York, which is authorized under the laws of the jurisdiction of incorporation to exercise corporate trust powers and is subject to supervision or examination by Federal or State authority and which has a capital and surplus aggregating not less than Two million dollars (\$2,000,000) or such larger amount as may be required by the laws of the State of Wisconsin or other governmental authority having jurisdiction or the rules, regulations and orders of any regulatory body established thereunder, if there be such a bank or trust company or national banking association willing to accept the trust on customary terms. If, in a proper case, no appointment of a successor trustee shall be made pursuant to the foregoing provisions of this Section within three months after a vacancy shall have occurred in the office of Trustee, the holder of any Bond or the retiring Trustee may apply to any court of competent jurisdiction to appoint a successor trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor trustee.

Any successor trustee appointed hereunder shall execute, acknowledge and deliver to the Company or to the receivers, trustees or assignees appointing it an instrument accepting such appointment hereunder, and thereupon such successor trustee, without any further act, deed or conveyance, shall become vested with all the estate, properties, rights, powers and trusts of its predecessor in the trust hereunder with like effect as if originally named as Trustee herein; but the outgoing Trustee shall, never-

theless, on the written demand of the new Trustee, execute and deliver an instrument conveying and transferring to such new Trustee upon the trusts herein expressed, all the estate, properties, rights, powers, trusts and duties of such outgoing Trustee, and shall duly assign, transfer and deliver all property and moneys held by such outgoing Trustee to the new Trustee so appointed in its place; and, upon request of any such new Trustee, the Company shall make, execute, acknowledge and deliver any and all deeds, conveyances or instruments in writing for more fully and effectually vesting in and confirming to such new Trustee all such estate, properties, rights, powers, trusts and duties.

SECTION 4. If the Trustee for the time being has or acquires any conflicting interest as now or hereafter defined by the statutes of the State of Wisconsin or of the United States of America, applicable to the Company, or by the rules, regulations and orders of any regulatory body established pursuant to such statutes, it shall, if required by such statutes or rules, regulations or orders, either eliminate such conflicting interest within the time provided thereby, or resign in the manner herein provided.

SECTION 5. In any proceeding brought by the Trustee hereunder, it shall be held to represent all of the holders of the Bonds, and it shall not be necessary to make such Bondholders parties to any such proceeding.

SECTION 6. If at any time or times it shall be necessary or prudent in order to conform to any law of any state in which the Company shall at the time hold any property subject to the lien hereof, or the Trustee shall be advised by counsel satisfactory to it that it is so necessary or prudent in the interest of the Bondholders, or a majority of the Bondholders shall in writing so request the Trustee and the Company, the Trustee and the Company shall execute and deliver all instruments and agreements necessary or proper to constitute another trust company or one or more persons approved by the Trustee and the Company, either to act as co-trustee or co-trustees of all or any of the property subject to the lien hereof, jointly with the Trustee originally named

herein or any successor or successors, or to act as separate trustee or trustees of any such property. In the event the Company shall not have joined in the execution of such instruments and agreements within ten days after the receipt of a written request from the Trustee so to do, the Trustee alone shall have power to, and in case an event of default shall happen and be continuing the Trustee may, effect such appointment of another trust company or one or more persons so to act as co-trustee or separate trustee.

Every additional trustee hereunder shall, to the extent permitted by law, be appointed and act and be such and the Trustee and its successor as Trustee shall act and be such, subject to the following provisions and conditions, namely:

(a) the Bonds shall be authenticated and delivered and all powers, duties, obligations and rights conferred upon the Trustee, including the custody, control and management of moneys, papers or securities, shall be exercised solely by said First Wisconsin Trust Company, or its successor as Trustee hereunder;

(b) no power given hereby to, or which it is provided hereby may be exercised by, any such additional trustee or trustees, shall be exercised hereunder by such additional trustee or trustees, except jointly with, or with the consent in writing of, said First Wisconsin Trust Company, or its successor as Trustee, anything herein contained to the contrary notwithstanding; and

(c) the Company and the Trustee, at any time, by an instrument in writing, executed by them jointly, may remove any such additional trustee, and in that case, by an instrument in writing executed by them jointly, may appoint a successor or successors to such additional trustee or trustees, as the case may be, anything herein contained to the contrary notwithstanding. In the event that the Company shall not have joined in the execution of any such instrument within ten days after the receipt of a written request from the Trustee so to do, the Trustee alone shall have the power to remove any such additional trustee and to appoint a suc-

cessor additional trustee. In the event that the Trustee alone shall have appointed a separate trustee or trustees or co-trustee or co-trustees as above provided, it may at any time, by an instrument in writing, remove any such separate trustee or co-trustee, the successor to any such trustee or co-trustee so removed to be appointed by the Company and the Trustee, or by the Trustee alone, as hereinbefore in this Section provided.

SECTION 7. Subject to the provisions of Section 4 of this Article XIII, the Trustee and any successor thereto, co-trustee or additional trustee, or any agent of the Company appointed for the purposes of Section 4 of Article IV or for any other purpose, may each acquire and hold Bonds and coupons and otherwise deal with the Company in the same manner and to the same extent and with like effect as though they were not Trustees hereunder or as though they were not such agents.

SECTION 8. The Trustee hereby accepts the trusts hereunder and agrees to perform the same but only upon the terms and conditions provided in this Indenture.

#### ARTICLE XIV.

##### SUPPLEMENTAL INDENTURES.

SECTION 1. In addition to any supplemental indenture otherwise authorized by this Indenture, the Company, when authorized by resolution of its Board of Directors, any other corporation when authorized by its Board of Directors, and the Trustee, from time to time and at any time, subject to the conditions and restrictions in this Indenture contained, may enter into an indenture or indentures supplemental hereto and which thereafter shall form a part hereof for any one or more or all of the following purposes:

- (a) to close this Indenture against, or to restrict, in addition to the limitations and restrictions herein contained,



the authentication and delivery of additional Bonds hereunder by imposing additional conditions and restrictions to be thereafter observed, whether applicable in respect of all Bonds authenticated and delivered and to be authenticated and delivered hereunder or in respect of one or more series thereof, or otherwise;

(b) to add to the covenants and agreements of the Company in this Indenture contained, other covenants and agreements thereafter to be observed and to surrender any right or power herein reserved to or conferred upon the Company although the freedom of action of the Company may be materially restricted thereby;

(c) to convey, transfer and assign to the Trustee, and to subject to the lien of this Indenture, with the same force and effect as though included in the granting clauses hereof, additional properties hereafter acquired by the Company, whether through consolidation, merger or by purchase or otherwise and to correct or amplify the description of any properties at any time subject to the lien of this Indenture;

(d) to make such provisions in regard to matters or questions arising under this Indenture as may be necessary or desirable and not inconsistent with this Indenture;

(e) to modify any of the provisions of this Indenture or to relieve the Company from any of the obligations, conditions or restrictions herein contained, provided that no such modification shall be or become operative or effective which shall in any manner impair any of the rights of the Bondholders or of the Trustee, while any Bonds of any series established prior to the execution of such supplemental indenture shall remain outstanding, and provided, further, that such supplemental indenture shall be specifically referred to in the text of all Bonds of any series established after the execution of such supplemental indenture; and provided, also, that the Trustee may in its uncontrolled discretion decline to enter into any such supplemental indenture which in its

opinion may not afford adequate protection to the Trustee when the same shall become operative; or

(f) for any other purpose not inconsistent with the terms of this Indenture, or for the purpose of curing any ambiguity or curing, correcting or supplementing any defect or inconsistent provision contained in this Indenture or any supplemental indenture;

and the Company hereby covenants that it will fully perform all the requirements of any such supplemental indentures which may be in effect from time to time; but no restriction or obligation imposed hereby or by any supplemental indenture upon the Company in respect to any of the Bonds or series of Bonds then outstanding under this Indenture may, except as otherwise provided in this Indenture, be waived or modified by such supplemental indentures, or otherwise. Nothing in this Article contained shall affect or limit the right or obligation of the Company to execute and deliver to the Trustee any instrument of further assurance or other instrument which elsewhere in this Indenture it is provided shall be delivered to the Trustee.

SECTION 2. The Trustee is hereby authorized to join with the Company or any other corporation in the execution of any such supplemental indenture authorized or permitted by the terms of this Indenture, and to make the further agreements and stipulations which may be therein contained.

## ARTICLE XV.

### MEETINGS OF BONDHOLDERS.

SECTION 1. Modifications and alterations of this Indenture, of any indenture supplemental hereto, and of the rights and obligations of the Company and of the holders of the Bonds and coupons may be made as hereinafter provided in this Article XV.

SECTION 2. The Trustee may at any time call a meeting of the Bondholders, and it shall call such a meeting on the written request of the Company or of not less than ten per cent. (10%) of the Bondholders. In the event of the Trustee's failing for ten days to call a meeting after being thereunto requested as above set forth, ten per cent. (10%) or more of the Bondholders, or the Company pursuant to resolution of the Board, may call such meeting. Every such meeting called at the instance of the Trustee shall be held at the principal office of the Trustee, but if called by or at the request of the Bondholders or of the Company shall be held at such place in the Borough of Manhattan, The City of New York, or in the City of Milwaukee, Wisconsin, as the case may be, as may be specified in the notice calling such meeting or requesting such meeting to be called. If such meeting is called by the Trustee, written notice thereof, stating the place and time thereof and in general terms the business to be submitted, shall be mailed by the Trustee not less than thirty days before such meeting,

(a) to each registered owner of Bonds then outstanding addressed to him at his address appearing (if at all) on the registry books,

(b) to each holder of any such Bond payable to bearer who shall have filed with the Trustee an address for notices, addressed to him at such address, and

(c) to the Company addressed to it at Milwaukee, Wisconsin,

and shall be published by the Trustee at least once in each of four successive calendar weeks immediately preceding the meeting in an authorized newspaper of the Borough of Manhattan, The City of New York, and in an authorized Milwaukee, Wisconsin, newspaper, provided, however, that the mailing of any such notice shall in no case be a condition precedent to the validity of any action taken at such meeting. If such meeting is called by the Bondholders or the Company, after failure of the Trustee to

call the same after being requested so to do in accordance with this Section 2, notice of such meeting shall be sufficient for all purposes hereof if given by newspaper publication as aforesaid stating the place and time of the meeting and in general terms the business to be submitted. Any meeting of Bondholders shall be valid without notice if the holders of all Bonds then outstanding are present in person or by proxy and if the Company and the Trustee are present by duly authorized representatives, or if notice is waived before or after the meeting by the Company, the holders of all Bonds outstanding and by the Trustee.

All holders of Bonds at the time of such meeting shall be entitled to vote thereat; except that

(aa) with respect to bearer Bonds which have been stamped or upon which has been made a notation recording the issue of a certificate for voting at such meeting issued in the manner provided in Section 3 of this Article XV (whether or not such Bonds are thereafter registered as to principal) only the holder of such certificate and his proxies shall be entitled to vote such Bonds at said meeting and any adjournment thereof;

(bb) the Trustee may, and, upon request of the Company or of not less than twenty-five per cent. (25%) of the Bondholders, shall fix a day not exceeding ninety days preceding the date for which the meeting is called as a record date for the determination of holders of Bonds registered as to principal and holders of registered Bonds entitled to notice of and to vote at such meeting and any adjournment thereof, and only such registered owners who shall have been such registered owners on the date so fixed, and who are entitled to vote such registered Bonds at the meeting, shall be entitled to receive notice of such meeting, and, subject to the provisions of Subdivision (aa) of this Section 2, the Bonds registered as to principal on such record date and registered Bonds may be voted at such meeting and any adjournment thereof only by the holders, and their proxies, who shall have been registered owners of such Bonds

on such record date, notwithstanding any transfer of any such Bonds on the books of the Company after such date. If any Bonds registered as to principal on such record date or any registered Bonds shall thereafter be transferred to bearer, a suitable notation may be made upon such Bonds at the time of their transfer from such registered owner's name to record the fact that the registered owner of such Bonds on said record date and his proxies shall be the only persons entitled to vote such Bonds at the meeting. If any Bonds in bearer form on such record date are thereafter registered as to principal and before any certificate as provided in Section 3 of this Article XV has been issued with respect to such Bonds, the first registered owner to whom such Bonds in bearer form are transferred shall be deemed to have been a registered owner of such Bonds on the record date for the purposes of this Article XV, except as to his right to receive notice of such meeting; and

(cc) no one shall be entitled to vote in respect of any Bond owned by or held by, for the account of or for the benefit or interest of, the Company or any affiliated corporation.

SECTION 3. Attendance by Bondholders at any meeting may be in person or by proxy. In order that bearer Bonds may be voted at any such Bondholders' meeting without being produced thereat, the Trustee may, and, upon request of the Company or of not less than twenty-five per cent. (25%) of the Bondholders, shall make and from time to time vary such regulations as it shall deem fit permitting holders of bearer Bonds to submit such Bonds to, or deposit their Bonds with, any banks, bankers or trust companies or their duly authorized agents, which shall issue to or upon the order of the holders of such Bonds certificates with respect thereto entitling the holders thereof to be present and vote at any such meeting and to appoint proxies to represent them and vote for them at any such meeting in the same way as if the persons so present and voting,

either personally or by proxy, were the actual bearers of the Bonds, in respect of which such certificates shall have been issued, and any regulations so made shall be binding upon the Trustee, the Inspectors of Votes and all Bondholders. Unless the Bonds so received are to be kept on deposit pending the holding of such Bondholders' meeting and any adjournments thereof, said banks, bankers or trust companies, or their duly authorized agents, upon issuing any such certificates shall make a notation upon the Bonds with respect to which the certificates are to be issued recording the issue of such certificates, and shall forthwith return the Bonds bearing such notation to the persons entitled thereto. Thereafter the Bonds bearing such notation shall not be entitled to be voted at the meeting except by the holders, and their duly authorized proxies or agents, of the certificates issued with respect to such Bonds.

Each person seeking to attend or vote at any meeting of Bondholders must, if required by any authorized representative of the Trustee or of the Company, produce such proof of Bond or certificate ownership or personal identity as shall be satisfactory to the Inspectors of Votes. Every proxy shall be signed by the Bondholder or certificate holder himself or by his duly authorized attorney, and shall be witnessed; and its genuineness if questioned shall be established to the satisfaction of the Inspectors of Votes. All proxies and certificates presented at any meeting shall be delivered to the Inspectors of Votes and filed with the Trustee.

Officers and nominees of the Company and of the Trustee may attend at any such meeting and take part therein, but shall not be entitled to vote thereat except to the extent that they may be Bondholders or may hold proxies of Bondholders or may hold certificates entitling them to vote issued as in this Section 3 provided.

SECTION 4. Persons named by the Trustee if represented at the meeting shall act as temporary Chairman and Secretary, respectively, of the meeting, but if the Trustee shall not be repre-

sented or shall fail to nominate such persons or if any person so nominated shall not be present, then the Bondholders and holders of certificates, issued as in Section 3 of this Article XV provided, and proxies present shall by a majority vote, irrespective of the amount of their holdings, elect other persons from those present to fill such vacancy or vacancies. A permanent Chairman and a permanent Secretary of such meeting shall be elected from those present by the Bondholders and holders of such certificates and proxies present by a majority vote irrespective of the amount of their holdings. The Trustee, if represented at the meeting, shall appoint two Inspectors of Votes who shall count all votes cast at such meeting, except votes on the election of a Chairman and Secretary as aforesaid, and who shall make and file with the Secretary of the meeting their verified written report in duplicate of all such votes so cast at said meeting. If the Trustee shall not be represented at the meeting or shall fail to nominate such Inspectors of Votes or if either Inspector of Votes fails to attend the meeting, the vacancy shall be filled by appointment by the permanent Chairman of the meeting.

SECTION 5. The holders (or persons entitled to vote the same) of not less than eighty per cent. (80%) of the Bonds entitled to be voted at any such meeting must be present at such meeting in person or by proxy in order to constitute a quorum for the transaction of business, less than a quorum, however, having power to adjourn. If such meeting is adjourned by less than a quorum for more than seven days, notice thereof shall forthwith be mailed by the Trustee, if such meeting shall have been called by the Trustee, to the person specified in Subdivisions (a), (b) and (c) of Section 2 of this Article XV, and shall be published at least once in each seven days' period of such adjournment in an authorized newspaper of the Borough of Manhattan, The City of New York, and in an authorized Milwaukee, Wisconsin, newspaper. The failure to mail such notice as aforesaid shall in no case affect the validity of any action taken at any meeting held pursuant to such adjournment. If such meeting shall have been called by the Bondholders or by the Company after failure of the

Trustee to call the same after being requested so to do in accordance with Section 2 of this Article XV, notice of such adjournment shall be given by the Chairman and Secretary of the meeting in the newspapers and for the number of times above specified in this Section and shall be sufficient if so given.

SECTION 6. Any modifications or alterations of this Indenture, of any indenture supplemental hereto, and of the rights and obligations of the Company and of the holders of the Bonds and coupons in any particular may be made at a meeting of Bondholders duly convened and held in accordance with the provisions of this Article XV, but only by a resolution duly adopted by the affirmative vote, in person or by proxy, of the holders (or persons entitled to vote the same) of eighty per cent. (80%) or more of the Bonds entitled to be voted upon any such modification or alteration when such meeting is held, and approved by resolution of the Board of Directors as hereinafter specified; but no such modification or alteration shall be made which will permit the extension of the time or times of payment of the principal of or the interest or premium, if any, on any Bond, or a reduction in the rate of interest thereon, or otherwise affect the terms of payment of the principal of, or interest or premium, if any, on any Bond, or reduce the percentage required by this Section for the taking of any action under this Section, nor shall any action permitted under this Section and taken at any meeting of the Bondholders affect the rights under this Indenture or of any indenture supplemental thereto of the holders of one or more, but less than all, of the series of Bonds outstanding hereunder, unless such action shall also have received the affirmative vote, in person or by proxy, of the holders (or persons entitled to vote the same) of at least eighty per cent. (80%) of the Bonds of each of the series so affected entitled to be voted upon any such action when such meeting is held. For all purposes of this Article XV the Trustee shall be entitled to rely upon an opinion of counsel with respect to the extent, if any, as to which any action taken at such meeting affects the rights under this Indenture or under any indenture supplemental hereto of any holders of Bonds then outstanding.



Bonds owned or held by, for the account of or for the benefit or interest of, the Company or any affiliated corporation, shall not be deemed outstanding for the purpose of any vote or of any calculation of outstanding Bonds provided for in this Article XV or for the purpose of the quorum provided for in Section 5 of this Article XV.

The term "affiliated corporation" as used in this Article shall be construed to mean (a) any corporation which directly or indirectly owns or controls an interest of twenty-five per cent. (25%) or more of the outstanding capital stock of the Company having voting power, or (b) any corporation of which twenty-five per cent. (25%) or more of the outstanding capital stock having voting power is owned by or held by, for the account of or for the benefit or interest of, the Company or any corporation which directly or indirectly owns or controls an interest of twenty-five per cent. (25%) or more of the outstanding capital stock of the Company having voting power.

For all purposes of this Indenture, the Trustee, and for the purposes of this Article XV, the Trustee, the Chairman and Secretary of any meeting held pursuant to this Article XV and the Inspectors of Votes at any such meeting, shall (unless challenged by any Bondholder at such meeting) be entitled conclusively to rely upon a notification in writing by the Company, specifying the principal amount of Bonds owned by or held by, for the account of or for the benefit or interest of, the Company or any affiliated corporation, or stating that no Bonds are so owned or held. In case the meeting shall have been called otherwise than on the written request of the Company, the Trustee, if the notification by the Company is not furnished as in this paragraph provided, shall be entitled conclusively to assume that none of the Bonds outstanding under this Indenture are so owned or held.

SECTION 7. A record in duplicate of the proceedings of each meeting of Bondholders shall be prepared by the Secretary of the meeting and shall have attached thereto the original reports of the Inspectors of Votes, and affidavits by one or more persons having knowledge of the facts setting forth a copy of the

notice of the meeting and a copy of the notice of adjournment thereof, if required under Section 5 of this Article XV, and showing that said notices were published as provided in Section 2 of this Article XV and, in a proper case, as provided in Section 5 of this Article XV. Such record shall be signed and verified by the affidavits of the permanent Chairman, the permanent Secretary of the meeting, and a duly authorized representative of the Trustee if such a representative was present at the meeting, and one duplicate thereof shall be delivered to the Company and the other to the Trustee for preservation by the Trustee. Any record so signed and verified shall be proof of the matters therein stated until the contrary is proved, and such meeting shall be deemed conclusively to have been duly convened and held, and any resolution or proceeding stated in such record to have been adopted or taken shall be deemed conclusively to have been duly adopted or taken by such meeting. A true copy of any resolution adopted by such meeting shall be mailed by the Trustee to each registered owner of Bonds outstanding addressed to him at his address appearing (if at all) on the registry books and to each holder of any such Bond payable to bearer who shall have filed with the Trustee an address for notices, addressed to him at such address (but failure to mail copies of such resolution as aforesaid shall not affect the validity thereof), and a copy or summary thereof shall be published by the Company at least once in an authorized newspaper of the Borough of Manhattan, The City of New York, and at least once in an authorized Milwaukee, Wisconsin, newspaper, such publication to be made not more than fifteen days after the adoption of such resolution. Proof of such publication and mailing by the affidavit or affidavits of some person or persons having knowledge of the facts shall be filed with the Trustee. No such Bondholders' resolution shall be binding unless approved by the Board of Directors as evidenced by a certified resolution filed with the Trustee, and any resolution of Bondholders so adopted and approved shall be deemed conclusively to be binding upon the Company, the Trustee and the holders of all Bonds and coupons, except as otherwise specifically provided in this Article XV; provided, that no such resolution of the Bondholders, or of the Board of Directors, shall in any manner be so

construed as to change or modify any of the rights or obligations of the Trustee without its written assent thereto. Nothing in this Article XV contained shall be deemed or construed to authorize or permit, by reason of any call of a meeting of Bondholders or of any right expressly or impliedly conferred hereunder to make such call, any hindrance or delay in the exercise of any right or rights conferred upon or reserved to the Trustee or to the Bondholders under any of the provisions of this Indenture or of the Bonds.

SECTION 8. Bonds authenticated and delivered after the date of any Bondholders' meeting may bear a notation, in form approved by the Trustee, as to the action taken at meetings of Bondholders theretofore held, and, in such case, upon demand of the holder of any Bond outstanding at the date of any such meeting and presentation of his Bond for the purpose at the principal office of the Trustee, the Company shall cause suitable notation to be made on such Bond by endorsement or otherwise as to any action taken at any meeting of Bondholders theretofore held. If the Company or the Trustee shall so determine, new Bonds so modified that they will, in the opinion of the Trustee and the Board of Directors, conform to such Bondholders' resolutions, shall be prepared, authenticated and delivered, and such new Bonds shall be exchanged for Bonds of the same series and maturity then outstanding hereunder, upon demand of, and without cost to, the holders thereof, upon surrender of such Bonds with all unmatured coupons appertaining thereto. The Company or the Trustee may require Bonds to be presented for notation or exchange as aforesaid if either shall see fit to do so. Instruments supplemental to this Indenture embodying any modification or alteration of this Indenture or of any indenture supplemental hereto, or of the rights and obligations of the Company or of the holders of the Bonds and coupons made at any Bondholders' meeting approved by resolution of the Board of Directors, as aforesaid, may be executed by the Trustee and the Company; and upon demand of the Trustee, or if so specified in any resolution adopted by any such Bondholders' meeting, shall be executed by the Company and the Trustee.

ARTICLE XVI.

DEFEASANCE.

If the Company, its successors or assigns, shall pay or cause to be paid unto the holders of the Bonds and coupons, the principal and interest to become due thereon and the premium thereon, if any, at the times and in the manner stipulated therein, and if the Company shall keep, perform and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed as to be kept, performed and observed by it or on its part, then these presents and the estate and rights hereby granted shall (at the option of the Company evidenced by a certified resolution delivered to the Trustee) cease, determine and be void, and thereupon the Trustee shall, upon the request of the Company, cancel and discharge the lien of this Indenture, and execute and deliver to the Company such deeds as shall be requisite to satisfy the lien hereof, and reconvey to the Company the estate and title hereby conveyed, and assign and deliver to the Company any property at the time subject to the lien of this Indenture which may then be in its possession.

Bonds and coupons for the payment or redemption of which moneys shall have been deposited with the Trustee, whether at or prior to the maturity or the redemption date of such Bonds, shall be deemed to have been paid within the meaning of this Article; provided, however, that if such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been made therefor.

The cancellation and discharge of this Indenture, however, shall be without prejudice to the right of the Trustee to be paid any compensation then due it hereunder, and to be protected and saved harmless by the Company from any and all losses, liabilities, costs and expenses, including counsel fees, at any time incurred by the Trustee hereunder or connected with any Bond, and the Company hereby covenants to protect and save the Trus-

tee harmless from any and all such losses, liabilities, costs and expenses.

## ARTICLE XVII.

### MISCELLANEOUS PROVISIONS.

SECTION 1. Nothing in this Indenture, expressed or implied, is intended or shall be construed to confer upon, or to give to, any person, firm or corporation, other than the parties hereto, and the holders of the Bonds and coupons, any right, remedy or claim under or by reason of this Indenture or any covenant, condition or stipulation hereof; and the covenants, stipulations and agreements in this Indenture contained are and shall be for the sole and exclusive benefit of the parties hereto, their successors and assigns, and the holders of the Bonds and coupons.

SECTION 2. Whenever in this Indenture or in any indenture supplemental hereto provision is made for the destruction or cancellation by the Trustee and the delivery to the Company of any Bonds or any coupons, the Trustee may, upon the request of the Company, in lieu of such destruction or cancellation and delivery, cremate such Bonds and coupons in the presence of an officer of the Company (if the Company shall so require) and deliver a certificate of such cremation to the Company.

SECTION 3. In case any one or more of the provisions contained in this Indenture or in the Bonds or coupons should be invalid, illegal or unenforcible in any respect, the validity, legality and enforceability of the remaining provisions contained herein and therein shall not in any way be affected or impaired thereby.

SECTION 4. Although this Indenture, for convenience and for the purpose of reference is dated October 28, 1938, the actual date of execution by the Company and by the Trustee is as indicated by their respective acknowledgments hereto annexed.

SECTION 5. In case, by reason of the temporary or permanent suspension of publication of any newspaper, or by reason of any other cause, it shall be impossible to make publication of any notice required hereby in the newspaper or newspapers as herein provided, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice. Such publication shall, so far as may be, approximate the terms and conditions of the publication in lieu of which it is given.

SECTION 6. The same officer or officers of the Company, or the same engineer or counsel or other person, as the case may be, may, but need not, certify to all the matters required to be certified under any Article, Section, Subdivision or other portion hereof, but different officers, engineers, counsel or other persons may certify to different facts, respectively. Where any person or persons are required to make, give or execute two or more orders, requests, certificates, opinions or other instruments under this Indenture, any such orders, requests, certificates, opinions or other instruments may, but need not, be consolidated and form one instrument. Any certificate which is required to be verified may be verified on information and belief.

Except as otherwise expressly provided in this Indenture, or in any indenture supplemental hereto, any request, opinion, consent, demand, notice, order, appointment, or other direction required or permitted to be made or given by the Company, shall be deemed to have been sufficiently made or given if executed on behalf of the Company by its President or any of its Vice Presidents and its Secretary or any of its Assistant Secretaries or its Treasurer or any of its Assistant Treasurers.

Any opinion of counsel required to be furnished pursuant to any of the provisions of this Indenture may, in lieu of stating the facts required by the provisions hereof, state that the required conditions will be fulfilled on the execution and delivery of designated instruments, which instruments shall be delivered in form approved by such counsel prior to or concurrently with the taking

or suffering by the Trustee of the action as a condition precedent to which such opinion is required to be furnished under the terms of this Indenture.

Any notice to or demand upon the Trustee may be served or presented, and such demand may be made, at the principal office of the Trustee. Any notice to or demand upon the Company shall be deemed to have been sufficiently given or served by the Trustee, for all purposes, by being deposited, postage prepaid, in a post-office letter box addressed to the Company at Milwaukee, Wisconsin, or to the Company at such other address as may be filed in writing by the Company with the Trustee.

SECTION 7. Subject to the provisions of Articles XII and XIII, whenever in this Indenture any of the parties hereto is named or referred to, the successors and assigns of such party shall be deemed to be included, and all the covenants, promises and agreements in this Indenture contained by or on behalf of the Company, or by or on behalf of the Trustee, shall bind and inure to the benefit of the respective successors and assigns, whether so expressed or not.

SECTION 8. This Indenture may be simultaneously executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, said Wisconsin Electric Power Company has caused this Indenture to be executed on its behalf by its President or one of its Vice Presidents and its corporate seal to be hereto affixed and said seal and this Indenture to be attested by its Secretary or one of its Assistant Secretaries; and said First Wisconsin Trust Company, in evidence of its acceptance of the trust hereby created, has caused this Indenture to be executed on its behalf by its President or one of its Vice Presidents, and its corporate seal to be hereto affixed and said seal

and this Indenture to be attested by its Secretary or one of its Assistant Secretaries; all as of the twenty-eighth day of October, One thousand nine hundred and thirty-eight.

WISCONSIN ELECTRIC POWER COMPANY,

By G. W. VAN DERZEE  
*Vice President.*

[CORPORATE SEAL]

Attested:

F. T. BOEHM  
*Secretary.*

Signed, sealed and delivered by  
Wisconsin Electric Power  
Company in the presence of:

CLAYTON TRUDEAU

RUSSELL SCHMELZ  
*As Witnesses.*

FIRST WISCONSIN TRUST COMPANY,

By GEORGE B. LUHMAN  
*President.*

[CORPORATE SEAL]

Attested:

W. I. BARTH  
*Secretary.*

Signed, sealed and delivered by  
First Wisconsin Trust Com-  
pany, in the presence of:

JOHN DOCKENDORF

F. H. LARKIN  
*As Witnesses.*



Acknowledgments.

190

STATE OF WISCONSIN, }  
COUNTY OF MILWAUKEE, } ss.:

On this 24th day of October, 1938, before me personally appeared G. W. VAN DERZEE and F. J. BOEHM, to me personally known, who, being by me severally duly sworn, did say: that G. W. VAN DERZEE is a Vice President and F. J. BOEHM is Secretary of WISCONSIN ELECTRIC POWER COMPANY, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said G. W. VAN DERZEE and F. J. BOEHM severally acknowledged said instrument to be the free act and deed of said corporation.

[NOTARIAL SEAL]

ALFRED GRUHL.  
Notary Public.  
Milwaukee County, Wisconsin.  
My Commission Expires  
March 29th, 1942.

STATE OF WISCONSIN, }  
COUNTY OF MILWAUKEE, } ss.:

On this 24th day of October, 1938, before me personally appeared GEORGE B. LUHMAN and W. I. BARTH, to me personally known, who, being by me severally duly sworn, did say: that GEORGE B. LUHMAN is President and W. I. BARTH is Secretary of FIRST WISCONSIN TRUST COMPANY, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and said GEORGE B. LUHMAN and W. I. BARTH severally acknowledged said instrument to be the free act and deed of said corporation.

[NOTARIAL SEAL]

ALFRED GRUHL.  
Notary Public.  
Milwaukee County, Wisconsin.  
My Commission Expires  
March 29th, 1942.

# Recording.

192

The Mortgage and Deed of Trust dated October 28, 1938 was recorded in the office of the Register of Deeds of the Counties listed below, all in the State of Wisconsin, as follows:

County	Date Recorded	Time	Book	Page	Document No.
Milwaukee	Oct. 24, 1938	11:10 A.M.	1757	179	2193004
Rock	Oct. 24, 1938	1:50 P.M.	240	351	408287
Walworth	Oct. 24, 1938	4:00 P.M.	194	161	331981
Calumet	Oct. 24, 1938	1:30 P.M.	50	496	48463
Sheboygan	Oct. 24, 1938	2:48 P.M.	203	535	368478
Dodge	Oct. 24, 1938	1:45 P.M.	195	477	355352
Ozaukee	Oct. 24, 1938	3:15 P.M.	85	161	115280
Kenosha	Oct. 24, 1938	1:20 P.M.	197	1	233590
Racine	Oct. 24, 1938	2:05 P.M.	344	121	433771
Jefferson	Oct. 24, 1938	1:30 P.M.	186	334	344642
Waukesha	Oct. 24, 1938	2:55 P.M.	202	402	223337

38

County	Date Recorded	Time	Book	Page	Document No.
Manitowoc	Apr. 27, 1950	10:21 A.M.	185	113	311191
Washington	May 1, 1950	3:00 P.M.	143	99	208261
Dane	Apr. 29, 1950	8:45 A.M.	679	1	796711
Fond du Lac	Apr. 26, 1950	8:00 A.M.	335	49	93953